PROPOSED SALE OF F-16'S TO VENEZUELA

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BEFORE THE

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PROPOSED SALE OF F–16'S TO VENEZUELA

FRIDAY, FEBRUARY 5, 1982

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10:10 a.m., in room 4221, Dirksen Senate Office Building, Hon. Charles H. Percy (chairman of the committee) presiding.

Present: Senators Percy, Pressler, Pell, and Dodd.

The CHAIRMAN. We apologize for the delay in starting the hearing. We would like to recognize in our presence today one of our most distinguished diplomats from Europe, Secretary General Malfatti of the Ministry of Foreign Affairs of Italy. I have just congratulated him not only on the miraculous job that Italy has done in freeing a distinguished American general, but also for being the strongest, staunchest supporter of the U.S. position with respect to Poland and for the strong support that Italy has provided to NATO. I know that the Secretary General through his professional career has been one of the staunchest supporters of European security and allied unity.

It is an unusual practice for us, but I request at this time that all of my colleagues join together in a tribute to you. Would you mind standing, Mr. Secretary General?

[General applause.]

The CHAIRMAN. I know that you can stay for only a short time. But it is an unusual experience every time Secretary Buckley comes before us. He sat for so many years up here with us grilling witnesses, and he always understands when we make life tough for him because he used to make it tough for a lot of people downtown in the executive branch as well.

The Foreign Relations Committee is meeting this morning to hear from administration witnesses concerning the sale of F–16 aircraft to Venezuela.

Before we begin these hearings, it is important to reiterate that Venezuela is a strong ally of the United States. Venezuela is one of the few successful democracies in Latin America. It supports U.S. policy in El Salvador; it is an important donor in the new Caribbean basin initiative. It exports 650,000 barrels of oil per day to the United States.

It is therefore certainly not the purpose of these hearings to create tension in our excellent relationships with Venezuela. Indeed, I am unaware of any resolution of disapproval for the pending F–16 sale. There are, however, several issues that I believe must be discussed before Congress agrees to this sale.

The first is the question of the U.S. Air Force's role in this sale. There are reports that by quoting low prices and allowing Venezuelan air force officers to fly the F–16A, the U.S. Air Force created the climate for Venezuela's shift from the F–16/79 to the F–16A. We will want to look into that detail.

A second question relates to arms control. It appears likely to me that the F–16 sale to Venezuela will lead to additional requests from other middle income countries to buy advanced aircraft. It also will be more difficult for the United States to turn down such requests.

The third question relates to the future of the FX concept. Now that an advanced fighter will be sold to a country like Venezuela, is there indeed a market for the FX? I would note that Congress has strongly supported the FX concept as an arms control device.

A fourth set of questions relates to the impact of the sale on the immediate region. We will want to find out how you assess the potential threat against Venezuela and the impact the sale will have on Venezuela's immediate neighbors.

Fifth, the committee will wish to explore the impact of this and other F–16 sales on production lines and the U.S. Air Force's ability to purchase F–16's in a timely fashion.

Finally, the committee will want to give you the opportunity to discuss the administration's overall arms transfer policy and the recent section 25(e) report. That report to Congress indicates that for the first time the Soviets significantly lead the United States in weapons sales to the Third World. It would be useful if you could explore the consequences of these findings.

Secretary Buckley, we welcome you here this morning. I would appreciate your introducing your colleagues who accompany you. We welcome them warmly as well. But they probably would not understand as well as you would the necessity of our inquiring into your judgment on this matter. For the record, as well as to make absolutely certain that we know the consequences of the actions that we are about to take.

STATEMENT OF HON. JAMES L. BUCKLEY, UNDER SECRETARY OF STATE FOR SECURITY ASSISTANCE, SCIENCE AND TECHNOLOGY, DEPARTMENT OF STATE, ACCOMPANIED BY ARCHELAUS R. TURRENTINE, ACTING ASSISTANT DIRECTOR, BUREAU OF NUCLEAR AND WEAPONS CONTROL, ARMS CONTROL AND DISARMAMENT AGENCY; BRIG. GEN. HENRY J. SECHLER, DIRECTOR OF INTERNATIONAL PROGRAMS, DEPUTY CHIEF OF STAFF, PROGRAMS AND RESOURCES, U.S. AIR FORCE; AND NOEL C. KOCH, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL SECURITY AFFAIRS, DEPARTMENT OF DEFENSE

Mr. BUCKLEY. Thank you, Mr. Chairman. The gentleman to my left is a representative of ACDA and the two gentlemen on my right are from the Department of Defense. They bring all of the technical knowledge that will be brought to bear on some of your answers and will also get me off the hook.

I might just note one particular thing before I go into my statement. You said that the section 25(e) statement that was circulated, the un-

classified version, showed that for the first time the Soviet Union is exceeding us in the delivery of weapons to the Third World. Actually, it shows that since 1978 this has been the case. And how far before 1978 I do not know, because the figures do not reach back that far.

But I would suggest that there has been a kind of story in the atmosphere that simply has no validity in fact. We have not been the leader of destabilizing the Third World from the point of view of either weapons qualitatively or quantitatively.

Mr. Chairman, as always I am very pleased to be here. I welcome this opportunity to discuss Venezuela's request to purchase F–16 aircraft and to explain why the administration has approved the request and believes the proposed purchase should be allowed to proceed.

Our decision is consistent with the administration's arms transfer policy and should be viewed in the context of the strategic situation in the world today. Over the last decade, Soviet arms transfers to the Third World have steadily been increasing. For the last several years, the Soviets have been the largest source of arms for Third World countries, exceeding U.S. arms deliveries in virtually every major arms category, sometimes by margins of two or three.

Soviet arms transfers to the Third World include sophisticated, high-quality equipment, as well as quantity. Indeed, in some cases the Soviets have offered top of the line equipment to their Third World customers even before it moves into the inventories of other Communist countries, such as Mig-25 fighters to Iraq and Nanuchka class patrol craft to Libya.

In short, in recent years the Soviets have supplied the Third World with more and higher quality arms than ever before. Soviet arms are the life's blood of Soviet aggression by proxy. In recent years, the Soviets and their proxies repeatedly have used force or the threat of force to expand their influence and frustrate peaceful change. With Soviet arms and support, Vietnamese troops occupy Kampuchea and threaten Thailand; Libya threatens Chad, Tunisia, the Sudan, Egypt, and Morocco. Afghani planes and armored units raid Pakistan; and Cuban troops stationed in Angola and Ethiopia threaten regional stability.

Not surprisingly, the worldwide pattern of Soviet aggression repeats itself in our own hemisphere. In the last few years, the quantity and quality of Soviet arms sent to Cuba, and through Cuba to others, have sharply increased. In 1981 the Soviet Union flooded Cuba with over 63,000 tons of arms, the largest inflow in 20 years.

This is only part of a decade-long effort by the Soviets to modernize Cuba's forces with top of the line aircraft, armored vehicles, rocket launchers, antiaircraft weapons and even submarines. As a matter of fact, as a result of this effort Cuba today is next only to Brazil in the size of its armed forces in Latin America. And in terms of the quality of the forces, quality of the equipment, Cuba stands second to none.

Ominously, Cuba has recently received additional shipments of advanced high performance aircraft and a missile-carrying frigate. Nicaragua, which receives Soviet arms, threatens to create forces that far exceed any reasonable needs for defense. And there are now reports that the Sandinista government will be receiving older Mig's from Cuba.

Meanwhile, Cuba has renewed and redoubled its efforts to export revolution in the Caribbean and Latin America. Cuban-supported

forces have taken power in Nicaragua and threaten to destroy El Salvador's best hope for political and social reform. A Cuban-oriented regime heads Grenada. Cuban-supplied and directed efforts to subvert elected governments have been exposed in Guatemala, Honduras, and Colombia.

Soviet and Cuban activities betray an extensive effort to increase their air capabilities. With Cuban support, airfields capable of handling advanced Soviet combat or transport aircraft are being constructed in Grenada and Nicaragua. Meanwhile, the Soviets already have increased the number of their reconnaissance flights from Cuba and their naval presence in the Caribbean Basin.

It is in this worldwide and regional context that we must assess Venezuela's request to purchase on a cash basis 18 F–16A and 6 F–16B aircraft. The sale, including initial training, spare parts and support, would amount to approximately $615 million.

Last summer President Reagan announced a new conventional arms transfer policy to supplement our own defense buildup and our foreign assistance efforts. The policy was designed to help us counter Soviet aggression, Soviet proxies, and the massive Soviet arms transfers which destabilize regions of strategic importance to the West and stretch our resources to the limits.

This administration knows that arms are only a small part of any solution. Underlying economic and political problems will not disappear because a country has arms. Nonetheless, there is a constructive role for a sound and well-considered arms transfer policy. As President Reagan's directive stated, "Prudently pursued, arms transfers can strengthen us."

Carefully crafted decisions on arms transfers promote our national interests in three general ways. First, by helping others to help themselves, we allow them to undertake responsibilities in strategic areas that our forces might otherwise have to assume alone. Second, by supplying others with modern equipment and compatible facilities, we complement the capabilities of our own forces, should they have to act. Third, by proving ourselves a sensitive and reliable supplier, we strengthen our ties with allies and nations that share our concerns.

President Reagan's flexible, case-by-case arms transfer policy would look favorably on a sale that furthers our security in these ways. At the same time, however, our policy requires that we take into account other conditions which would argue against a particular transfer. For example, we would question any transfer which might disrupt relations within a region, overburden a nation's economy, strain the capacity of its military, compromise critical technology, or support violations of basic human rights.

With respect to sales of aircraft, it is the administration's policy to recommend, when appropriate, consideration of our intermediate tactical aircraft and aircraft especially manufactured for export, rather than those more advanced and costly. Nonetheless, there are circumstances in which U.S. national interests are best served by the sale of advanced weapons. In order to be effective, implementation of our arms transfer policy must be responsive to a nation's legitimate needs.

Measured against these criteria, it makes good sense to accede to

Venezuela's request to purchase F–16's. Venezuela has good cause to wish to insure the future safety of its people, its resources and the surrounding sea lanes vital to its economy.

Venezuela currently produces about 1.9 billion barrels of oil per day. Other than Mexico and our own country, Venezuela is the only major source of oil in this hemisphere. If oil supplies from the Persian Gulf were interrupted, Venezuelan oil would be critical to the United States.

Venezuela is also strategically located. It controls the eastern approaches to the Panama Canal and lies athwart the major sea lanes of the eastern Caribbean. And it is through the Caribbean, as we learned in World War II, that major portions of our international trade and import of foreign oil must run.

In the past few years, Venezuela has contributed to regional stability by subsidizing oil prices and providing financial assistance to less well off nations. Most recently, Venezuela joined with Canada, Mexico and the United States in the formation of the Caribbean Basin Initiative.

Less tangible but no less real is the important role that Venezuela plays in the region as an example of a pluralistic and democratic society.

In short, Venezuela is a key source of oil and a strategically located democracy, which plays a constructive and growing role in an important region. After 9 years of increasing oil revenues, Venezuela has made a deliberate and carefully considered decision to modernize its own air force with aircraft that will serve its defense needs well into the 21st century. We should accede to Venezuela's request. To refuse it would be unwise and insulting.

It would also be futile. Venezuela clearly has the resources to go elsewhere. Whether or not we sell our planes to Venezuela, Venezuela will acquire advanced aircraft.

There may be some concern that approving Venezuela's request heralds unrestrained American sales of advanced weapons in the hemisphere. It will not. In several ways, Venezuela is unique. Few other countries are as uniquely situated. Few have as good a record on human rights and democratic government. Fewer still have the economic resources to buy these planes. We are reluctant to impose, and our experience indicates that less prosperous nations are reluctant to undertake, the immense debt burden which the purchase of top of the line aircraft entails.

In any event, this administration intends to pursue a judicious and measured approach to all arms requests, assessing them on a case-by-case basis and against a backdrop of total U.S. interests. We are seeking to be both responsive and responsible. U.S. interests in this hemisphere and the world require an arms transfer policy that is both.

Mr. Chairman, we have the opportunity to enhance the future stability and defense of a friendly democracy. In the process, we enhance our own security. This sale thus meets all of our tests. It strengthens our ties with an important nation, enhances its capabilities, lessens the burdens on the United States, and contributes to the stability of our "third border," the Caribbean.

Venezuela has made a deliberate, measured and well-reasoned decision to provide for its own defense into the next century. We should respect its choice. As we would not deny ourselves the means to defend

our freedom, so we should not deny Venezuela the right to defend its own.

The CHAIRMAN. Thank you very much, Secretary Buckley.

We are very pleased to have Senator Pressler and Senator Dodd with us today.

I would like to mention the fact that the administration has made available to us a report entitled "Multilateral Arms Transfer Trends." I have taken the unclassified portions and prepared a brief report, a one-page summary. It shows that Soviet sales to the Third World stood at $2,916 million in 1978, $8,825 million in 1979 and $14,812 million in 1980.

Those are absolutely spectacular increases, in particularly those areas of the world, some of them that need economic assistance and that are asking for economic assistance from the World Bank and other areas. This step-up in arms sales to the Third World thus is alarming. Many times it goes to countries who simply cannot afford it, either. At least in this case we are talking about arms sales to a country that can afford it.

We will limit ourselves to 10 minutes of questioning for each Senator, and I would ask that we get notification of our time expiration.

First, I would like to talk about the impact on arms control. And I know that Senator Pressler, as the chairman of the Arms Control Subcommittee, will want to follow up on this. The F–16's will be the most advanced aircraft in Latin America, even more advanced than the Mig-23's in Cuba. What impact will this sale have, Secretary Buckley, on the desires of Brazil, Argentina, Peru, Colombia, and others in the region to purchase the F–16 or a similar aircraft?

Mr. BUCKLEY. For the reasons to which I alluded in my testimony, I believe that most of those countries would be lowering their sights because of the financial costs on the one hand, and second, because they do not have the particular assets to protect or the vulnerable location of a Venezuela.

If you look at what the Cubans have been up to in recent years, if you look at the speed with which the Soviets are able to move into new weapons systems, if you look at the significance of the airfields being developed in Grenada and Nicaragua, and plot curves over the northern part of Latin America, you can see that there is a threat that must be protected against.

And it is not only the fact that Mig-23's have inserted a new dimension of technology into our hemisphere, but we know from past experience that the Soviets have a capacity of putting in even more modern aircraft, more sophisticated aircraft, on a moment's notice. It is against that kind of problem that military planners must make their decisions.

The CHAIRMAN. The committee has received from industry sources the name of several countries that recently have indicated a desire to purchase the F–16. Can you give the committee an idea of which countries have made such requests during the past 9 months? What is the administration's policy concerning the sale of our most advanced fighter aircraft to less developed countries?

Mr. BUCKLEY. Mr. Chairman, our policy is to screen carefully, country by country, situation by situation, any request that actually comes to us. We have placed special emphasis in directives to our embassies around the globe on the need to direct attention to our intermediate export models.

Yes, there will be some countries that do file applications for the F–16. In many instances we will find that they are warranted, in our judgment. In many others we will find to the contrary.

I do not have a list with me of the people who have applied for the F–16 in recent years, or at least in this year, and I would defer to the experts on my right. But I would say that at the present time we have authorized providing the material and so forth on the FX to over 40 nations.

General SECHLER. At the present time we are not processing any requests from any country other than Venezuela. We have had several countries come in through the State Department. But as Secretary Buckley stated, many of these requests are still being staffed for release. We are not preparing any price and availability data in the Air Force for F–16 sales to another country at this time.

So we still are in a process of setting the policy, first, as Secretary Buckley stated, and then the services respond with the price and availability data on other countries.

Mr. BUCKLEY. May I add, there is no avalanche of interest, believe me.

We have also sent a directive out late last year underscoring the fact that no information is to be issued on the F–16 or test flights offered except to those nations where, through our interagency process, we have already reached a decision that if the country in question would want to purchase an F–16, we would approve. In other words, we are doing everything within our power to keep from dangling bait in front of people or to keep from developing an appetite for the F–16.

The CHAIRMAN. Last year I headed the Senate delegation to Mexico for the interparliamentary group. We met with leaders of the Mexican Parliament for 3 days. President Lopez Portillo joined us. During the course of the conversations, the question came up about Mexico's leadership in trying to get a limited arms sale throughout Latin America. They are still in the forefront of that movement.

Have we discussed recently, Mr. Secretary, our arms sales policy with the Mexicans? We are trying to establish closer relationships with Mexico. How will the Mexicans react to this particular sale? Do you have any idea?

Mr. BUCKLEY. We had no recent discussions on this subject. But as Mexico is brought more and more into discourse of common regional problems, I am sure this will be a very fruitful area for discussion.

The CHAIRMAN. Would it be well to touch base with them on a subject in which we know they are interested, just to get a reaction from them?

Mr. BUCKLEY. Yes.

The CHAIRMAN. I think it might be neighborly, particularly when they so clearly have indicated to us their interest in this whole field and they have taken leadership in Latin America in that area.

Mr. BUCKLEY. I will make a note of that, Mr. Chairman.

The CHAIRMAN. Fine, thank you. Perhaps just a call to the Mexican Ambassador here might possibly produce a reaction for you.

[The following information was subsequently received for the record:]

We would welcome consultations with Mexico on the issue of arms limitations in Latin America should Mexico be interested in doing so. Indeed, we did hold such consultations in the 1970's in the context of the Conventional Arms Transfer (CAT) talks. However, Mexico has not specifically raised this issue in regional terms since 1978. We do not feel it would be appropriate to consult with the Mexican Government on individual arms transfer cases with a friendly third country, such as the sale of the F-16's to Venezuela.

I mentioned the FX. Many observers do believe that the potential for the FX aircraft is now markedly reduced, the FX meaning the F-16/79 and the F-5G. Do you agree that the potential for that plane is now somewhat reduced as a result of the F-16's?

Mr. BUCKLEY. No, I would not, Mr. Chairman. One of the problems, at least with the F-5G, has been the fact that it has not been in existence, that people, if you will, have not been in a position to kick its tires. That has been a significant drawback. But we expect by the end of the year to have some flying models.

Second, we are receiving some very real expressions of interest from several quarters.

Third, you have the factor of the sheer discrepancy in cost. Countries are increasingly sensitive to interest rates, to the burden of a significant arms sale, and in the case of the F-5G, they can buy very competent aircraft for significantly fewer dollars.

The CHAIRMAN. While I was in the Middle East I talked with an aircraft expert in one country. He had just recently flown an F-5G, I believe. He at least had had a full presentation on its capabilities. And he extolled the value of it.

Would you compare for us the capabilities of the F-5G and the F-16/79 in terms of cost, payload, carrying capability, radar technology, and combat radius? Does it still make sense to consider both these aircraft as FX candidates?

Mr. BUCKLEY. I will turn to the experts on my right.

The CHAIRMAN. I had hoped you would. [Laughter.]

General SECHLER. We think there is a real need for that intermediate fighter, and that is the F-16/79 and the F-5G. We talk about the performance of our different aircraft that are available in this world. Now, if you take a country like Switzerland, Switzerland has the F-5E. It has the latest model. Those can go supersonic and cross that country in a minute and a half.

An F-5G or an F-16 has much less range than you will have in a full-up F-16. A full-up F-16 can have a radius of 650 miles, whereas the F-5G is around 360 miles. So we have about half the range in our intermediate fighter, which means it does not have the legs.

Also, the technology in the radar systems are different, and they are less, particularly today in the F-5E. The radars in the F-5G/1 will be the same as the F-5E, which will be a simpler model, less technology than we will put in a later model, what we call the G/2.

So the intermediate fighter that we will propose around the world, and about 40 countries are interested in it, has less technology than we have in our later-developed aircraft, a lesser range and a lesser payload too, because it is a smaller aircraft. The F-5G is an 11,000-pound aircraft versus almost a 20,000-pound aircraft for the F-16.

So there is a significant difference to these countries. There is a significant difference in the price, the payload, and the weapons systems. But there is a market for the FX.

The CHAIRMAN. Thank you very much, General.

Senator Dodd?

Senator DODD. Thank you, Mr. Chairman.

Mr. Secretary, gentlemen, we welcome you here this morning.

Mr. Chairman, at the outset let me state that I talked with Secretary Buckley on the phone with regard to this sale. I have given some serious thought to the possibility of introducing a resolution of disapproval with regard to this sale. But after analyzing it closely and looking at the particular nation involved, I will not offer such a resolution. I do not know of any that is planned to be introduced.

The CHAIRMAN. I know of none.

Senator DODD. It is my estimation that the sale will go forward. So I will not oppose it.

Clearly, Venezuela is a nation that is closely linked with our own in terms of ideals. Its most recent involvement over the past decade or two in democratic reform certainly qualifies it as a nation with which we could feel comfortable. And the likelihood that they would use such a sophisticated aircraft for agressive offensive actions against a neighbor is probably least likely.

For the reasons that you have mentioned, Mr. Chairman, Venezuela has been a good ally of ours and I think it certainly would qualify. My concern and what I would like to get at this morning, Mr. Chairman, in addition to the circumstances surrounding this particular sale, is what is going to be our arms policy for Latin America in the future? What criteria are we going to use with additional future requests, which certainly will come? In light of the fact that we have now introduced for the first time in the hemisphere our most sophisticated aircraft, I would presume that other nations which feel just as close a relationship with us are going to make similar requests.

About 2 weeks ago I was in Colombia, and what would be comparable to our Joint Chiefs of Staff spent about 1½ hours with me. A good part of the conversation centered on this issue, the sale of the F–16 to Venezuela. They expressed their deep concern over the introduction of the F–16 into the region.

I did not ask them whether or not they had made a similar request. But I would be curious to know, Mr. Secretary, whether or not it is your knowledge or the knowledge of the General that other nations such as Colombia, Brazil, Argentina, or Chile have made a request? Or do we have any indications that a request for the F–16 is going to be forthcoming?

Mr. BUCKLEY. First of all, Senator Dodd, I am not aware of any requests from those four countries.

Second, I should point out that in this sale we will not be introducing a new level of technology. The Mig-23 is a very competent aircraft.

Senator DODD. I meant in terms of our own.

Mr. BUCKLEY. Very well, in terms of our own.

Nor is the F–16 the top of the line. The F–14, F–15, and F–18 are all significantly superior aircraft. Yes, it is a very competent aircraft, but in our judgment, the judgment of the military in Venezuela, it meets the kind of security needs that Venezuela particularly requires.

Over the longer term, we do share your concerns. In fact, as I told you over the telephone yesterday we have initiated a longer term study to see if we can anticipate what might be the requests over the next period of years that will be received from various Latin American countries. We want to have our analyses in place in advance.

But we do have criteria that we are seriously applying in judging these requests that we receive from all quarters, and not just for aircraft but for other advanced weapons as well: Is there a need? Would the introduction of this particular weapon destabilize the particular area? Is there the capacity to absorb it either economically or technologically? Is there a threat to critical technology? And so forth.

We have turned down a number of requests in the year that I have been around and since the Reagan policy has been enunciated. We are not being open-handed.

Senator DODD. Would I be exceeding decorum here by asking you about some of the refusals?

Mr. BUCKLEY. There is a problem that I would be glad to tell you in confidence, but not in an open hearing.

Senator DODD. OK. Let me take the first point, of destabilizing or potentially destabilizing a region. Guyana and Colombia have expressed to us in no uncertain terms their concern over this, in informal communications from Guyana, and Colombia has written directly through diplomatic channels.

Do you see this sale as jeopardizing in any way our relationship, particularly with Colombia but also with Guyana as well?

Mr. BUCKLEY. No, I do not, although I am aware of the concerns expressed.

These are not new border disagreements, and the fact is that historically Venezuela has not resorted to arms in order to settle this kind of problem. The fact also is that Venezuela today already enjoys significant air superiority over both of those countries without having F–16's.

I wonder if I might ask Mr. Turrentine of ACDA to address this, because it is a particular obligation of ACDA to consider precisely these destabilizing aspects.

Mr. TURRENTINE. Senator Dodd, the Arms Control Agency has been involved in reviewing the policy on this particular sale from the beginning. We have taken a careful look at the possibility of the sale contributing to an arms race or being destabilizing in the region and have come to the conclusion that the sale would promote our interests and would indeed not be destabilizing or would not contribute to an arms race in the region.

Senator DODD. Mr. Secretary, as I pointed out, it has been a policy of the United States over the past to exercise restraint in terms of the introduction of sophisticated arms in the hemisphere. We generally have tried to maintain an equilibrium between neighboring countries in the region so as not to give one nation an advantage over the others militarily as a result of our sales.

There is implied in your prepared statement the suggestion that the balance no longer exists because of the introduction of a significant amount of arms to Cuba, the likelihood that it will end up in Nicaragua and possibly in Grenada.

Do you believe that because of the exercise of restraint that generally has been followed over the past by a variety of administrations, that this, in fact, has worked to our detriment, and had we had a more aggressive arms sale policy, the Soviets might have been less encouraged to introduce sophisticated weaponry into the region?

Mr. BUCKLEY. I don't like to describe what we are up to as an aggressive arms transfer policy. It is anything but that. It is one, however, that is open to the possibility of utilizing arms transfers to help countries in a particular region achieve stability, offset new threats, and also to complement the United States' own defense efforts in different parts of the world.

I am not sure that if Venezuela had a high level of armament, that it would have had any effect on the Soviets in terms of Cuba. Certainly our restraint clearly has not had any effect on Soviet actions, but in light of what we are seeing in terms of a massive buildup of arms, way out of proportion to defensive needs in countries like Cuba and Nicaragua, we cannot stand still.

In terms of approaches to restraint, I believe that the example of the Carter administration is one that has been counter-productive for the United States. We had the famous PD–13 policy which stated, in effect, that any arms transfer was suspect; that we would, in fact, agree to the sale of arms only in exceptional circumstances. Now, the sheer realities of what was happening around the globe ended up in the exception being made time after time after time so that the levels of arms sales in the last years of the Carter administration were comparable with the levels that we contemplate in our own administration.

But in the case of Latin America, because so many obstacles were raised, people who merely wanted to modernize and not increase, but just update, turned to other suppliers. We therefore lost influence that we might have exercised and lost the kind of interoperability that in a crisis would be useful, but we did not slow down, as a result of our restraint, the gradual upgrading of the armed forces in various Latin American countries, Peru being a very significant example.

Senator DODD. My time is up, I will get back to that point. Thank you.

The CHAIRMAN. Thank you very much, Senator Dodd.

Senator Pressler.

Senator PRESSLER. Going back to the desires of some of the other countries in the region, can we expect that we will have requests from Brazil, Argentina, Peru, and Colombia, which were the countries that were mentioned? Aren't we really introducing a cycle that is just going to accelerate the arms race in that region?

Mr. BUCKLEY. No. The Cubans have introduced something enormously destabilizing in the Caribbean, and that has to be met one way or another. In the case of Venezuela, Venezuela is a country that has hugely important assets that depend on free ocean lanes for the survival of its economy. They made a very deliberate study of alternatives and came to the conclusion that the F–16 was an appropriate aircraft to meet their needs and their responsibilities to their own people. Looking over the next 20-year period, they do not constantly want to be buying new equipment.

When you get to the other countries about which you have talked, they are a long, long way, a long distance from anything as destabilizing as what we are witnessing in the Caribbean. They are economies whose leadership will have to think very carefully about what they can afford to spend on equipment, and if and when requests are made of us for highly advanced military technology, we will scrutinize the requests very carefully.

Senator PRESSLER. What has Venezuela been doing in regard to El Salvador and some of the other countries that have experienced guerrilla activities? I heard Ambassador Kirkpatrick last night on television saying that Venezuela had adopted a resolution in support of the current government in El Salvador, and she was challenged on that by the prime minister she was having a debate with.

Has Venezuela been willing to help what we perceive to be our policy in that area of the world?

Mr. BUCKLEY. Among other things, the Venezuelans have sold oil at concessionary terms. They have kept significant deposits in El Salvadoran banks, thereby aiding critically important foreign exchange needs. They have been enormously helpful in the economic sphere. They were also very supportive in the Santa Lucia resolution adopted by the OAS on the political process in El Salvador endorsing the reforms that have been put into effect.

Senator PRESSLER. You mentioned earlier that the Venezuelans would buy these planes from somebody else. Did the Venezuelans specifically tell the United States that they would buy the Mirage 2000 if we did not sell the F–16A but rather agreed to sell only the F–16/79?

Mr. BUCKLEY. I will have to turn to the gentleman on my right. I am not aware of any such thing.

General SECHLER. I am not aware either. I don't think the Air Force is aware or they ever made any statement they would buy the Mirage 2000, but by the very fact that they have Mirage 3's and 5's in their inventory today, they have French equipment, they have a French support base. The only statement they made was they were a little disappointed in the support they had from the French and therefore would very much like to buy American equipment.

Based on that, that is the only information I had on this particular equipment. But it goes back to what Secretary Buckley stated earlier. The Venezuelan Air Force did a very thorough study in 1980, prior even to coming to the United States requesting aircraft, where they compared the Mirage 2000, the KFIR, the Israeli aircraft, the F–16 and the F–5 aircraft.

Based on their study they made a selection that they believe is correct, that they needed an aircraft to take them through the nineties. Based on that, I think they made the right decision because the F–16 will carry them through the nineties to face the threat which faces them.

Mr. BUCKLEY. Senator, I just got a little more information on Venezuelan economic help. They contributed $51 million for development and housing projects in El Salvador.

Senator PRESSLER. I have a question on the U.S. Air Force role. Perhaps you could provide the committee with the detailed history of this if you don't know the answer today. The committee understands that U.S. Air Force General Blanton went to Venezuela to

discuss the F–16/79 sale just before Venezuela decided it wanted to purchase the F–16. Would you discuss the purposes of General Blanton's mission? Did he provide Venezuela with price and availability data concerning the F–16 sale?

Then when Venezuelan Air Force General Pinaud came to the United States in February 1981 to fly the F–16/79, the Air Force also allowed him to go to Hill Air Force Base to fly the F–16. Was that approval cleared with the State Department?

General SECHLER. I will attempt to take you through the history of this, and if it is not satisfactory, we will provide additional material for the record. I think we have to go back again to where we stated after the Venezuelan Air Force completed its study of future fighter aircraft to modernize its force. This was completed about December of 1980.

At that time the Venezuelan Air Force requested a visit to the United States for the specific purpose of visiting the contract facility at Fort Worth, and also to visit one of our operational bases, which was Hill Air Force Base. That request was processed and approved through the State Department and through the Office of the Secretary of Defense, and the Air Force was asked to support it.

In our role of supporting this mission of the Venezuelan Air Force to investigate the F–16 aircraft for a potential sale, we did take these personnel to General Dynamics. We did conduct orientation flights at Hill Air Force Base. The orientation flights were by our own regulations and by DOD regulations and was approved by DOD.

At the time, when you look at the regulations and history, and this was done in February 1981, the DOD regulations allowed the Air Force to permit an orientation flight to any of our friendly forces. That was not approved by the State Department, and as we say, today that has changed. As Secretary Buckley stated, today we must have the approval of the State Department. At the time this was delegated to the Air Force and we did so as a friendly nation. It was in no way to promote the aircraft. It was purely to assist the friendly Venezuelan Air Force to allow them to have the information to select the new aircraft, one that would fit their needs through the nineties.

As far as General Blanton providing price and availability information, and his visit also was in February 1981, now, that is not true. He provided no information. The purpose of his trip at the time was orientation. He went to Venezuela and there was no discussion of the F–16.

I personally talked to General Blanton on this subject. The discussion only was on the Bell 212 helicopter which was about to be delivered for the Presidential support and the Gulfstream aircraft. That was the purpose of his visit at that time in Venezuela. There was no discussion on price of the F–16 and there was no promoting on General Blanton's part of the F–16 aircraft. That is false. It was almost simultaneous that they were in each others country at the same time. They were here visiting us when General Blanton was in Venezuela.

Senator PRESSLER. Well, I guess the basic question is: Soon after General Pinaud's flight at Hill Air Force Base, according to industry officials, Venezuela lost interest in the F–16/79. What impact do you think that flight test had on Venezuela's decisionmaking? The basic question is: Have steps been taken to assure that the State Department has control over flight tests related to potential military sales.

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General SECHLER. When we made the test, the orientation flight at Hill Air Force Base in February 1981, this, of course, could have influenced the Venezuelan Air Force because there is a difference between the F–16/79 and the F–100, as we all know, in performance. However, at that time the official request for price and availability data was presented from the Venezuelan Air Force to the State Department.

We also made the caveat when we made the orientation flight that that in no way implied that we could sell the F–16A to the Venezuelan Air Force. So they had knowledge of that. They know they had to have State Department approval before they could buy the aircraft. At the time, if we look at the sale, that request from the Venezuelan Government went to the State Department. It was approved by the State Department, and we then are in the current situation where we now are.

But I don't believe that that was the overriding factor that influenced the sale of the F–16 because you have to go back to the study that was involved between the F–16A, the Mirage 2000, the KFIR, and the F–5 and the threat and the need of the Venezuelan Air Force to take them through the nineties.

Senator PRESSLER. What additional equipment will be sold with the F–16? For example, what missiles will be sold for the aircraft?

General SECHLER. At this time we are still in discussion with the Venezuelan Air Force as to the missile that may be sold. Today the missile that is being requested is the AIM–9P3 missile, the same missile that we have exported to many countries, Pakistan included. At this time we are also working on the releasability of that missile with the State Department, but there are no missiles in this particular sale of $615 million.

Senator PRESSLER. They certainly have to have missiles with the aircraft. Does it take a separate resolution of disapproval or are they just sold with the aircraft later?

General SECHLER. That would be a separate request. If we were going to sell some later missile like the AIM–9L or a later higher technology missile, I am sure that would be taken up by the State Department and we would then have to clear that before we would present that particular missile. But the AIM–9P3 is a missile that has been exported to several places. We are working on the disclosure information on that today.

Senator PRESSLER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Pressler.

Senator Pell, we are happy to have you join us this morning.

Senator PELL. Thank you, Mr. Chairman.

Mr. Secretary, I wonder if you could explain to me the difference between the F–16 and the FX. As I understand it, the F–16 is a more advanced and sophisticated version of the same plane, and the FX is designed for export. Is that correct?

Mr. BUCKLEY. It depends upon which FX you are discussing. Actually, there are three FX planes that we recognize. One is the F–5G, the second is the F–16/79, and the third is the Israeli-produced KFIR aircraft which has General Electric engines. Therefore, we have veto power, if you will, over sale of that aircraft. But they have comparable characteristics. They do not have the range of the F–16. General Sechler just stated that it had half the range.

Could you give some more of the technical differences, General, such as payload and any other relevant factors?

General SECHLER. There is a difference, of course, in the payload, and I could present that to you for the record. I don't have the information exactly to go down each one of the payloads on the different type of aircraft, the F–5G, the F–16/79 or the KFIR.

[The information referred to follows:]

PROPOSED SALE OF F–16's TO VENEZUELA

[SUBMITTED BY THE DEPARTMENT OF DEFENSE]

The maximum ordnance payloads in pounds is as follows:

Aircraft:	*Pounds*
F–5G	5, 900
F–16A/B	9, 200
F–16/J79	9, 200
KFIR	[1] 8, 820
Mig-23	5, 500

[1] Estimated.

General SECHLER. But in general terms today, the difference between the F–16A and the F–16/79 is the engine. The engine has more thrust and is more efficient. Basically the airframe is the same. The F–5G is an aircraft that has its basis in what we currently have in the F–5E/F in the inventory. The F–5E is a two-engine aircraft, and they are going with the F–5G with a single engine, with the General Electric F404 engine with a higher thrust ratio.

In that case the performance of the new F–5G will be very good in acceleration, in that its thrust to weight ratio is almost 1. So it will have good acceleration. It can go supersonic very fast, but its range is limited. It will only be about half the F–16A.

Senator PELL. Without getting into all the details, the fact remains that the plane that we propose to sell to Venezuela will be a superior plane to the ones that we sold to other countries, the FX's of these different varieties.

General SECHLER. We have not sold an FX to another country at this time, but the F–16A is a superior plane to the FX; that is correct.

Senator PELL. We have not sold any FX's to other countries?

General SECHLER. That is correct.

Senator PELL. But if we sell the F–16 to Venezuela, what arguments will we be able to use for other countries who ask for it as well, preferably democratic, middle-sized countries? What would be the arguments not to supersede the previous sales with this?

General SECHLER. I think Secretary Buckley stated earlier that every country is a case on its own, every country has a different threat, every country has a different economic base. The world changes continuously on us where our adversaries change their force structure. In many cases today throughout the world the FX, the intermediate fighter, will meet the threat, will fit the economic base of that country and will be a very good aircraft if they so desire to purchase that aircraft from us to protect their own shorelines.

Senator PELL. You used the word "threat." Do you really seriously believe that Venezuela is under threat of attack by Cuba?

General SECHLER. I believe there is a threat. Now remember, as we stated earlier, Venezuela is attempting to modernize its air force

through the 1990's. The Venezuelans are buying this aircraft and final delivery is not complete until 1985. Today the threat, as we stated, was from Cuba and Grenada being less than 60 miles off their coastline, and with a capability for Mig-21's and Mig-23's, I believe that is a threat, and particularly through the next 20 years. They have every right with their economic base to protect themselves.

Mr. BUCKLEY. Senator Pell, I would say this. It is the responsibility of the people who plan defense not to be thinking necessarily in terms of responding to this or that country, because it today has a level of equipment and seems to be a little bit malevolent, but rather to ask what are the basic needs of a particular society of a particular size with particular resources to be protected with particular vulnerability to the interruption of sea lanes and so on.

In times of great tranquillity the United States, nevertheless, has felt that it had to maintain a certain number of bombers, fighters, a Navy and the rest. If a good defense is the best protection, the best source of security, I think we must respect the fact that a country like Venezuela needs to maintain certain levels of defense precisely to deter an attack.

Senator PELL. What disturbs me in this proposed sale is that we have had a policy so far of not introducing high technology weapons into Latin America, or this is as I understand it. Now, this policy will be swept to one side, and once the sale is made I don't see how we will be able to turn down similar requests from other nations who say they are under threat of attack from Cuba through Grenada or something like that.

Mr. BUCKLEY. I think it would be more correct to state our policy as being that we will not be the first to introduce a new level of technology into the region. We will still not be the first to introduce a new level of technology into the region. That already has been done by the Soviet Union.

Senator PELL. We also have our resources in the United States as well, which is pretty close to the region, almost as close as Cuba. I think if you want to be specific from a geophysical viewpoint you could say that our weapon systems in Florida or Texas are exactly as close, well perhaps not exactly, but almost as close to the area of possible combat as those of Cuba or those other countries. We have weapons far more advanced than anything Cuba has, so I don't quite see the analogy there.

Mr. BUCKLEY. Well, it is not our defense with which we are concerned. It is Venezuela that is concerned about its defense, and the fact that we have weapons superior to what exists at the moment in Cuba is, in effect, irrelevant to the Defense Ministry of Venezuela in assessing its own needs.

Senator PELL. But do you think for one minute if Venezuela were under attack by Cuba, under serious attack, that we would not intervene? We are just as close and we have superior weapons.

Mr. BUCKLEY. Do you think for a minute that a responsible public official in Venezuela ought to place the security of its country in total reliance on action by the United States?

Senator PELL. No, but I think he should do all that he can, as he is doing, to get the best weapons that he can. But once we have introduced these highly advanced weapons into that one area, I think there

will be a floodtide of requests from other countries and we will have a terrible time turning them down.

Mr. BUCKLEY. Well, I am not a wagering man but I wager that if 2 years from now we look backward, we will not see that floodtide of requests.

Senator PELL. Well, floodtide may be a strong phrase, but we will see requests. In any case, personally speaking as one Senator, I think it is a poor idea, but I recognize that I am in a strong minority here. I would hope that you would comply with section 36(b) of the Arms Export Control Act, which asks that if we request you, that is, the Foreign Relations Committee, and I would ask the chairman to do so, if we request from you an evaluation prepared by ACDA on the effect of the sale as far as contributing to an arms race, increasing the possibility of an outbreak, prejudicing negotiations of any arms control agreements, et cetera, that you would submit that report.

Mr. BUCKLEY. I would be happy to do that, Senator.

Incidentally, I would like to underscore a point that I tried to make here. A particular nation in making a request to purchase a weapon from the United States will have its own view of its own needs and its own responsibilities. We, on the other hand, in making a decision as to whether we will accede to that request, may view things in an entirely different way.

Here I think we have a situation where there is a coincidence between what it is Venezuela feels it needs and what we, perhaps for entirely different reasons and perspective, feel that it is in our interest for Venezuela to have.

Senator PELL. I thank you for your particular explanation. I feel this sale is a very real mistake for the reasons that I have advanced. Recognizing that I am in the minority, all that I can do is ask for this report and ask that the chairman request it at the appropriate time.

The CHAIRMAN. I certainly will now make such a request for a report, subject to the fact that it would not interfere with the 30-day review period for this sale. I would not want to extend that review period. I think we ought to stay on schedule.

Mr. BUCKLEY. Yes, sir.

[The information referred to above follows:]

PROPOSED SALE OF 24 F–16 AIRCRAFT TO VENEZUELA

[SUBMITTED BY ACDA]

An evaluation, prepared by the Director of the Arms Control and Disarmament Agency in consultation with the Secretary of State and the Secretary of Defense, of the manner, if any, in which the proposed sale would—(i) contribute to an arms race; (ii) increase the possibility of an outbreak or escalation of conflict; (iii) prejudice the negotiation of any arms controls; or (iv) adversely affect the arms control policy of the United States. (Section 36(b)(1)(D) of the Arms Export Control Act)

The proposed sale of 24 F-16A/B aircraft (18 F–16A aircraft and 6 F–16B two-seat trainers) to Venezuela is not likely to stimulate an arms race in Latin America. On the contrary, from the U.S. perspective, it is helpful in reinforcing Venezuela's stabilizing role in the Caribbean. In 1981, Cuba received more Soviet weapons than in any single year since 1962. The Cuban aircraft inventory includes over 200 jet aircraft (one squadron of MIG-23 Floggers; MIG-21s, MIG-17s, and MIG-15s). The number of MIG-23 Floggers has recently been increased with the delivery of a second squadron of these advanced aircraft. Possible forward basing of MIG–23s in Grenada or Nicaragua would constitute a serious threat to the stability of the area as a whole. Venezuela has a legitimate need to modernize and upgrade its small force of aging Mirage III/V and Canadian CF–5 aircraft in order to deter

attacks on its oil and other resources, and to protect vital sea lanes of communication. Venezuela's oil resources and its control of the eastern approaches to the Panama Canal make it of strategic importance to the United States.

Venezuelan acquisition of F–16s is not likely to generate widespread demands for this aircraft in other Latin American countries, and the cost would probably discourage most other countries in the region from seriously considering its purchase. Further, it should be noted that the sale of F–16s to Venezuela is not a quantum jump in the level of technology in Latin America, since Soviet MIG-23s and SU–22s, French Mirage 50s and F–1s, and British Jaguars are already in the region.

The proposed sale of F–16s is not likely to increase the possibility of an outbreak of conflict in Latin America. On the contrary, we believe that an improved Venezuelan air defense capability would contribute to stability in the Caribbean. Cuba has the potential capacity to project power far beyond its shores. By operating out of Nicaragua and Grenada, where modern airfields are being upgraded or constructed, the latter under Cuban supervision, Cuba could penetrate well into the northern part of South America and throughout Central America and the Caribbean.

While Venezuela generally enjoys cordial relations with other Latin American countries, it has longstanding border differences with Colombia and Guyana, which have expressed concern over the proposed sale. However, Venezuela already has air superiority over these countries, and there is no reason to believe that the Venezuelans would use military force to resolve such disputes. The Administration's policy of strict neutrality in territorial disputes involving Colombia, Venezuela, and Guyana is in no way altered by the proposed sale.

The sale of F–16 aircraft to Venezuela would not prejudice the negotiation of any arms controls in Latin America. There have been no new arms control initiatives put forth for the region in recent years.

The sale of F–16 aircraft to Venezuela, by contributing to stability in the region, supports United States arms control policy. Pursuant to the Administration's arms transfer policy, the proposal to sell these aircraft is based on a careful, thorough review and consideration of a wide range of factors, including arms control factors. The sale advances United States national security and foreign policy interests.

The CHAIRMAN. I would like to follow up on Senator Pell's question about the effects from just one standpoint. If a nation has a substantial fleet of F-5's already, might it not appeal to them, even though there may be some advanced characteristics that the F–16 has—and the F–5G certainly has advanced characteristics too—might it not make sense for them to stay within the family of F–5's so far as training capability, competence and everything else rather than jump over the F–16? I am not trying to sell one over the other. I only repeat what one nation gave me as a rationale. They may be deciding to stay with the F-5's because that is what they started with.

General, would you or Secretary Buckley care to comment on that?

Mr. BUCKLEY. Perhaps the General is more competent to comment, but this is my understanding, that those countries that have the F–5E's have yet an additional incentive, aside from the cost incentive, to move to stay with that family of aircraft. Is that a correct assessment?

General SECHLER. That is correct. I believe that we will see more demand, particularly for the F–5G, for that very fact that once the F-5G is flying, and we hope to have one flying here this summer, and then the first production aircraft is about a year and a half way, I think many of the countries that currently have the F–5E, when it comes time to modernize their forces, will seriously consider and most probably buy the F–5G for the modernization effort.

The CHAIRMAN. General, could you tell us more about the potential threat posed by the second squadron of Mig-24 Floggers recently discovered in Cuba that have been shipped from the Soviet Union?

General SECHLER. I am sorry, I couldn't comment on that. I don't have a knowledge of the second squadron type aircraft or the threat. I know that the basic Mig-23 that Cuba has in its squadron today is a serious threat and that the radius of that particular aircraft is reported to be over 600 miles. It has a good capability to carry a good load of ordnance that would be damaging. It is a Mach 2+ aircraft, and with that kind of threat that is currently there, without that second squadron, if it is able to deploy that aircraft within range of any of the countries, it is a serious threat in the technology range of an F–16, and you need to counter that threat.

The CHAIRMAN. I am not sure whether you covered the point of whether they were the E model, that is the interceptor model, or the F model, which is the ground attack model.

General SECHLER. I don't know what that second squadron is, Senator Percy. I have no knowledge at this time.

The CHAIRMAN. Secretary Buckley, do you have any information on that?

Mr. BUCKLEY. No, sir.

The CHAIRMAN. Would you supply that information to us for the record, then?

Mr. BUCKLEY. I am not sure that we know yet. I think they are still in crates, aren't they?

General SECHLER. Yes.

Mr. BUCKLEY. So I am not sure the intelligence community yet has that information.

Senator DODD. How do we know they are Mig-23's if they are in crates?

Mr. BUCKLEY. Apparently crates have a certain characteristic.

General SECHLER. We can tell the Mig-23 crate, but when you get to the model or the year, it may take a little more investigation.

The CHAIRMAN. Well, is you do not have it directly, maybe you can just tell us where we can get it or certify to us that we just don't have that information.

Mr. BUCKLEY. One way or the other, we will get back to you.

[The material referred to is classified and is in committee files.]

The CHAIRMAN. Is it not true that the F–16 is actually superior to the Mig-23 in almost every detail?

General SECHLER. The Mig-23 at a high altitude and straight has a Mach number, in fact, the interceptor version has a Mach 2.3 versus about a Mach 2 on the F–16. But your earlier statement, I think, in all environments, and that is particularly in lower altitudes, the turn ratio, superior to the Mig-23. But it is a very minor difference, if you will. It is not an overwhelming superiority.

The CHAIRMAN. I understand that Venezuela has limited ground radar capability. Will a radar upgrade program be necessary in order to make the F–16 useful? For example, will Venezuela require, say, AWACS or the E–2C?

General SECHLER. Not to my knowledge. That would be a quantum jump for Venezuela. I don't see any requirement for an airborne early warning system. However, I can state today that Venezuela is in the process of studying its radars. In fact, the Venezuelans plan by the end of spring in 1982 to request a proposal for purchase of a radar

system for Venezuela, a ground-based radar system. I believe they have been talking to Westinghouse plus French firms and a German firm. I believe by 1985 Venezuela plans to have a ground-based environment radar system that would be comparable and assist the F–16 to operate.

The CHAIRMAN. Both Senator Tower and I have been concerned that the Soviet Union seems to supply its allies with equipment on a much more speedy time frame than we have been able to. We have obviously now taken steps and are working with the administration to create the revolving fund which provides for advance procurement. It is a technique we have used in industry for many years, which I think is desirable and necessary.

I would like to know on this particular sale what the impact would be on the U.S. Air Force. Six of the 24 F–16's are to be delivered to Venezuela by December 1983. Can that be accomplished without affecting production adversely for the U.S. Air Force.

Mr. BUCKLEY. I have been so advised, Mr. Chairman, that it will not interfere with our own acquisition program for F–16's nor with that of our allies, other purchasers, and that the Air Force fully supports the sale.

The CHAIRMAN. I understand that there is a serious shortage of ground support equipment for the F–16. Will this sale include ground support equipment at the outset?

General SECHLER. The sale will include ground support equipment. In fact, I would expand somewhat on Secretary Buckley's statement. That is, the Air Force was very concerned on any sale to foreign countries of the F–16, since we did have a shortage of spares and we are critical in support equipment.

However, General Dynamics was able to come up with a procedure called an early delivery plan. This was about 8 months ago. That early delivery plan entails General Dynamics, which through contractor support will purchase the long lead items, those that are longer than 24 months, at their own risk. That includes support equipment and spares. They will then put those in storage in anticipation of foreign sales.

They did this for a maximum of two countries, and that would be Pakistan and Venezuela. We looked at that plan very closely in the Air Force. In fact, we looked at 14,000 line items, each one individually. We also went, in those 14,000 line items, to each vendor to see whether it would be able to be produced.

I am happy to say that it is a good plan. It is one that we feel will be able to be executed with no impact at all on the Air Force, and that is both so that we can take new production aircraft off the line for Venezuela and take spares and support equipment off the line. It is a contractor-supported effort, not an Air Force diversion.

The CHAIRMAN. My last question in this round. Venezuela does currently export 650,000 barrels of oil per day to the United States, actively participating and cooperating with us in the Caribbean Basin initiative. They support U.S. policy in El Salvador. They are a very successful democracy.

What would be the impact on Venezuela if this sale were rejected, Mr. Secretary?

Mr. BUCKLEY. I would suspect a sense of shock, because from their perspective the weapons are clearly appropriate to their needs. Venezuela is a country that is identified with the same values that we share. I think it would be incomprehensible. It would also lead the Venezuelans to feel that the United States could not be relied upon to meet legitimate requests for assistance, and therefore the Venezuelan Government without any doubt would look elsewhere for the equipment and the quality of equipment it feels it needs for its own security.

The CHAIRMAN. Without objection, I will insert into the record at this point the unclassified summary of the multilateral arms transfer trends which I mentioned earlier, and a list of all arms sales transmitted to Congress during the Reagan administration.

This totals over $25 billion. However, this includes military construction and defense services. It also spans 2 fiscal years.

[The material referred to follows:]

FORMAL NOTIFICATION OF PROPOSED LETTERS OF OFFER FOR ARMS SALES PURSUANT TO SEC. 36(b) OF THE ARMS EXPORT CONTROL ACT—REAGAN ADMINISTRATION

Country: Transmittal No.	Date received	Items, cost, military department, expiration date for congressional review
JAN. 20 TO DEC. 31, 1981		
Australia:		
81-33	Apr. 21, 1981	Government furnished equipment, technical services, training, and follow-on support in connection with the Australian follow-on destroyer program. Up to $450,000,000—Navy.
81-35	May 11, 1981	Technical assistance for the development of ship design proposals contract design services, and detailed design and construction of a replacement for the Australian aircraft carrier. Up to $1,000,000,000—Navy.
81-47	May 4, 1981	Program elements for purchase of weapon system update of 16 F-111C aircraft and system integration of PAVE TACK pods (AN/AVQ-26) on these aircraft including Government furnished aeronautical equipment, aircrew, and maintenance training, support equipment, and spares. $110,000,000—Air Force.
81-46	May 8, 1981	[Deleted]—Navy.
81-86	Aug. 24, 1981	Cooperative logistics supply support for spare parts in support of major items of equipment of U.S. origin already delivered to and being operated by the Royal Australian Air Force. $34,000,000—Air Force.
82-09	Dec. 1, 1981	[Deleted]—Navy.
82-10	Dec. 8, 1981	Government furnished equipment, technical services, training, spares, and follow-on support in connection with the upgrading of 3 DDG's. $750,000,000—Navy.
Austria: 81-18	Feb. 1, 1981	24 F-16 aircraft with support equipment, spare engines, spare parts, technical services, and training. $500,000,000—Air Force.
Canada:		
81-56	June 16, 1981	200 MK-46 MOD 5 torpedoes with spare parts. $60,000,000—Navy.
82-15	Dec. 16, 1981	U.S. Navy technical and engineering services in support of the establishment and operation of the Canadian FC-18 weapon system integrated avionics software support facility (IASSF). $31,000,000—Navy.
Colombia: 81-105	Sept. 23, 1981	12 UH-1H helicopters with related support. $10,000,000—Army.
Egypt:		
81-12	Jan. 19, 1981	43 M-88A1 full tracked medium recovery vehicles with communications and support equipment, related spare parts, and training. $37,000,000—Army.
81-22	Mar. 3, 1981	73 TOW ground launchers, 1,282 HEAT missiles, 362 TOW practice missiles, ancillary and support equipment, related spare parts, and other associated services. $28,000,000—Army.
81-81	Sept. 10, 1981	2,010 I-TOW surface attack guided missiles and support equipment. $20,000,000—Army.
81-104	Sept. 25, 1981	128 M-60A3 tanks with tank thermal sights, related communications and support equipment, M-239 smoke grenade launchers, spare parts, basic load and training ammunition, special tools, test equipment, training, and associated services. $240,000,000—Army.
82-14	Dec. 14, 1981	6 AN/TPQ-36 mortar locating radars with required support equipment, spare parts, and support services. $25,000,000—Army.
France: 81-94	Aug. 24, 1981	93 MK-46 MOD 2 torpedoes, 2 yr of spare parts support and helicopter launch accessories. $12,000,000—Navy.

FORMAL NOTIFICATION OF PROPOSED LETTERS OF OFFER FOR ARMS SALES PURSUANT TO SEC. 36(b) OF THE ARMS EXPORT CONTROL ACT—REAGAN ADMINISTRATION—Continued

Country: Transmittal No.	Date received	Items, cost, military department, expiration date for congressional review
Germany, Federal Republic of:		
81-42	Apr. 27, 1981	Advanced F-4 aircraft flying training for 20 combat aircrews and air warfare instructor qualification for 8 instructor aircrews under a dedicated German Air Force flying program at George AFB, Calif. $38,000,000—Air Force.
81-50	June 9, 1981	35,000 155-mm projectiles with fuzes. $27,000,000—Army.
81-88	Aug. 24, 1981	Cooperative logistics supply support arrangement, requisition case (FMSO II), for follow-on spares and supplies in support of aircraft and other systems and subsystems of U.S. origin. $32,000,000—Air Force.
Greece:		
81-75	July 24, 1981	248 M-48 tank conversion kits and an ancillary support equipment to convert M-48A1 tanks to the M-48A3 and M-48A5 configuration. $86,000,000—Army.
81-79	July 29, 1981	50 TOW launchers and 1,487 surface attack TOW missiles. $19,000,000—Army.
81-101	Sept. 23, 1981	10,000 155-mm M-549A1 high explosive projectiles and 5,000 M-119A1 propelling charges. $10,000,000—Army.
81-102	Sept. 24, 1981	48 M-109A2 155-mm self-propelled howitzers with support equipment, spare parts, and services. $37,000,000—Army.
81-109	Oct. 27, 1981	1574 AN/VRC-12 series radios and 207 AN/PRC-67 series radios $16,000,000—Army.
Indonesia:		
81-24	Feb. 18, 1981	16 A-4E aircraft. $27,000,000—Navy.
81-87	Sept. 10, 1981	133 M-101A1 105-mm howitzers with related training and support items. $16,000,000—Army.
82-08	Nov. 30, 1981	48 Mark 46 MOD 2 torpedoes and related support equipment. $20,000,000—Navy.
Italy:		
81-10	Jan. 19, 1981	35 Standard missiles, SM-1 (ER). $15,000,000—Navy.
81-77	July 23, 1981	2,311 I-TOW surface guided missiles and 623 TOW practice guided missiles. $24,000,000—Army.
Japan:		
81-34	Apr. 17, 1981	32 Harpoon missiles with associated spare and repair parts. $39,000,000—Navy.
81-36	Apr. 17, 1981	1 Tartar launching system, 1 Harpoon launching system, combat direction system software and associated support. $76,000,000—Navy.
81-44	May 11, 1981	4 E-2C aircraft and associated support including depot level ground support equipment. $270,000,000—Navy.
81-59	June 30, 1981	[Deleted]—Army.
81-60	July 1, 1981	2 C-130H aircraft with initial spares, support, and training. $54,000,000—Air Force.
81-76	July 20, 1981	4 Phalanx close-in weapon systems and associated support. $63,000,000—Army.
81-107	Oct. 26, 1981	8 Harpoon missiles, 2 blast test vehicles, spares, and repair parts. $11,000,000—Navy.
82-11	Dec. 1, 1981	[Deleted]—Navy.
Jordan:		
81-25	Mar. 3, 1981	24 AH-1S helicopters with the M-65 TOW missile system, the M-197 20-mm gun subsystem, and support. $156,000,000—Army.
81-49	June 1, 1981	4 AN/TPQ-36 mortar locating radars and 4 AN/TPQ-37 ancillary locating radars with support equipment. $60,000,000—Army.
81-53	May 29, 1981	30 M-88A1 tracked recovery vehicles. $27,000,000—Army.
81-68	Sept. 10, 1981	50,000 hand grenades, 58,000 rounds of 155-mm and 8-in howitzer ammunition, 20,000 rounds of 105-mm gun tank ammunition, and 7,500,000 rounds of 20-mm, 7.62-mm, and .50-caliber ammunition. $105,000,000—Army.
81-70	July 8, 1981	118 M-60A3 tank conversion kits. $60,000,000—Army.
Korea, Republic of:		
81-40	Mar. 27, 1981	36 F-16 aircraft with support equipment, spare parts, training, training equipment, and technical assistance. $900,000,000—Air Force.
81-28	Apr. 1, 1981	21 M-88A1 recovery vehicles with concurrent parts support and ancillary equipment. $20,000,000—Army.
81-106	Sept. 24, 1981	Cooperative logistics supply support arrangement, requisition case (FMSO-II), for follow-on spares and supplies to support aircraft and other systems and subsystems of U.S. origin. $110,000,000—Air Force.
82-17	Dec. 16, 1981	Modification kits for 28 improved Hawk batteries and 6 AN/TPQ-29 simulators, concurrent spare parts, training, and services to install the kits. $72,000,000—Army.
Kuwait: 81-54	June 16, 1981	Follow-on support for 2 yr for improved Hawk and related air defense equipment, including 60 improved Hawk missiles, spares, technical assistance, training, and 1 AN/TRC-145 radio set. $150,000,000—Army
Morocco: 81-26	Feb. 27, 1981	108 M-60A3 tanks with related spare parts, ancillary and support equipment, and associated services. $182,000,000—Army.
NATO:		
81-57	June 16, 1981	Launch, launch services, and on-orbit test and evaluation for the NATO Satellite Communication IV program. Over $25,000,000—Air Force.
Seasparrow consortium (N-3) 81-95.	Sept. 1, 1981	1,000 RIM-7M Seasparrow missiles and associated support. $240,000,000—Navy.

FORMAL NOTIFICATION OF PROPOSED LETTERS OF OFFER FOR ARMS SALES PURSUANT TO SEC. 36(b) OF THE ARMS EXPORT CONTROL ACT—REAGAN ADMINISTRATION—Continued

Country: Transmittal No.	Date received	Items, cost, military department, expiration date for congressional review
Netherlands:		
81-39	Apr. 27, 1981	50 AIM/RIM-7 series Seasparrow missiles (warshot configured) and 10 AIM/RIM-7 series Seasparrow missiles with telemetry warheads. $9,000,000—Navy.
81-48	May 15, 1981	2 MK-13 MOD 4 guided missile launching systems. $40,000,000—Navy
81-45	June 15, 1981	464 Stinger aerial intercept guided missile systems and 182 Stinger missile rounds complete with ancillary items and support equipment. $56,000,000—Army.
Norway: 81-82	Aug. 21, 1981	32 Roland II fire units, 782 Roland guided missiles, 5 M-88A1 Roland II recovery vehicles, and 32 XM-975 carriers. $550,000,000—Army.
Oman:		
81-52	June 1, 1981	1 C-130H aircraft with support for 2 yr and training. $17,000,000—Air Force.
81-92	Sept. 10, 1981	2 C-130H aircraft with support and training. $45,000,000—Air Force.
Pakistan:		
81-58	June 16, 1981	24 TOW missile launchers and 2,000 I-TOW antitank missiles with associated support equipment and services. $24,000,000—Army.
81-108	Oct. 23, 1981	40 F-16 aircraft with related munitions, support equipment, spare parts, training, training equipment, and technical assistance. $1,100,000,000—Air Force.
82-03	Nov. 19, 1981	64 M-109A2 155-mm self-propelled howitzers, 40 M-110A2 8-in self-propelled howitzers, 75 M-198 155-mm towed howitzers, ammunition, spare parts, training, and technical assistance. $175,000,000—Army.
82-04	Nov. 19, 1981	100 M-48A5 tanks and 35 M-88A1 recovery vehicles with related ammunition, spare parts, and ancillary equipment. $117,000,000—Army.
82-05	Nov. 19, 1981	24 M-901 improved TOW vehicles, 1,005 I-TOW missiles, related spare parts, training, and technical assistance. $21,000,000—Army.
82-06	Nov. 19, 1981	10 AH-1S attack helicopters including the TOW missile system and spare parts, training, and technical assistance. $82,000,000—Army.
Portugal: 81-67	July 8, 1981	Additional initial spare parts, ground support equipment, and equipment staging associated with the support of 1 A-7P squadron increasing the cost of this case from $20,000,000 to $29,000,000. $29,000,000—Navy.
Saudi Arabia:		
81-09	Jan. 19, 1981	Repair parts, spares, and supplies for initial stock outfitting of the naval supply center and naval supply depots, located at Jubail and Jidda, in support of ships, facilities, and equipment being provided under separate FMS cases. Initial stock level to be increased from the present 2-yr level to a 5-yr level. $200,000,000—Navy.
81-11	Jan. 19, 1981	This case provides for design, construction, and related services necessary to provide facilities essential to support the Royal Saudi Navy. It involves numerous facilities required at Jubail, Jidda, Riyadh, and Dammam that were not identified in earlier approved cases. $846,000,000—Army.
81-13	Jan. 19, 1982	3 yr (Feb. 16, 1982, through Feb. 15, 1985) follow-on support to the current Peace Hawk VII service program and mission support services to the Royal Saudi Air Force (RSAF) F-5/F-15 airbases during the same period. $900,000,000—Air Force.
81-19	Feb. 18, 1981	Various general purpose high explosive bombs, 2.75-in aircraft rockets, empty general purpose bomb and associated fuzes, fins, and other components necessary to build complete rounds of these items. $37,000,000—Air Force.
81-31	Apr. 10, 1981	U.S. Government program management and contractor services for the operation of 1 500-bed hospital for the Saudi Arabian National Guard for a period of 30 mo. $900,000,000—Army.
81-37	Apr. 17, 1981	Training and training support assistance through fiscal year 1985 for Royal Saudi Naval Forces personnel entering military training programs in the United States. $42,000,000—Navy.
81-38	Apr. 17, 1981	This case provides for design and construction services necessary to provide facilities essential to support the Royal Saudi Navy. It involves a naval academy that was not previously identified in earlier approved cases. $504,000,000—Army.
81-43	Apr. 27, 1981	500 M-813 5-ton cargo trucks with concurrent spare parts, major assemblies, and tool sets. $42,000,000—Army.
81-51	June 1, 1981	Propulsion engineering training and in-country support for the U.S. Navy Chief of Naval Education and Training representatives for the Saudi naval expansion program. $66,000,000—Navy.
81-65	July 6, 1981	This case amendment is for the continuation of U.S. Navy project management support, supply support assistance, engineering and technical services and feasibility and technical studies for the Saudi naval expansion program. $255,000,000—Navy.
81-62	July 6, 1981	This sale will provide the telecommunications equipment, automated data processing equipment and hardware items required for the Royal Saudi Naval Forces Command, Control, and Communications (C^3) system. The equipment is to be installed in facilities which were designed and constructed under previously approved sales agreements. $60,000,000—Army.

FORMAL NOTIFICATION OF PROPOSED LETTERS OF OFFER FOR ARMS SALES PURSUANT TO SEC. 36(b) OF THE ARMS EXPORT CONTROL ACT—REAGAN ADMINISTRATION—Continued

Country: Transmittal No.	Date received	Items, cost, military department, expiration date for congressional review
81-66	July 8, 1981	1 AN/TPS-43G(V) radar system, modification of 3 existing Royal Saudi Air Force TPS-4f radar units to the 43G(V) configuration, associated equipment to permit remote operation of the radars. $75,000,000—Air Force.
81-71	July 8, 1981	Cooperative logistics supply support for major items of equipment provided to the Saudi Arabian Land Forces (SALF) under previous FMS agreements. $30,000,000—Army.
81-72	July 24, 1981	18 155-mm M-198 towed howitzers with spare parts. $9,000,000—Army.
81-73	July 24, 1981	9 AN/TPQ-36 mortar locating radars and 6 AN/TPQ-37 artillery locating radars with support equipment, training, support services, and 2 yr of concurrent spare parts. $98,000,000—Army.
81-74	July 20, 1981	Flight training services during fiscal year 1982 in the United States to include undergraduate pilot training; advanced pilot training in helicopters, F-5, and C-130 aircraft; and fighter weapons instructor training for the F-5 aircraft. $48,000,000—Air Force.
81-89	Sept. 10, 1981	This case amendment is for the purchase of the services and materials required to complete the development, installation, and check-out of the Royal Saudi Naval Forces (RSNF) Command, Control, and Communications (C^3) system; procurement and installation of a microwave interconnect system between the RSNF communications stations of Jidda and Jubail; spare parts, support equipment, training and contractor maintenance services for the C^3 system and the microwave interconnect system and the completion of the RSNF communications stations at Jidda, Jubail, and Riyadh. $180,000,000—Navy.
81-91	Sept. 10, 1981	This case amendment is for the design and construction services for additional housing, personnel support facilities, training and maintenance facilities, expanded utilities systems, and a fleet headquarters building at the Royal Saudi Naval Forces (RSNF) bases at Jidda and Jubail; a data library system for the RSNF headquarters in Riyadh and alinement and calibration ranges for RSNF ships. $1,700,000,000—Army.
81-90	Sept. 10, 1981	This case amendment is for the purchase of 2 additional years of contractor and U.S. Navy provided services in the United States for post delivery support of 4 Patrol Chaser missile (PCG) ships and 9 missile-equipped patrol gunboats (PGG) purchased by the Royal Saudi Naval Forces (RSNF) under previous foreign military sales agreements, 2 additional years of contractor provided operations and maintenance support of RSNF shore facilities in Saudi Arabia, and associated U.S. Navy management system. $1,300,000,000—Navy.
81-96A	Oct. 10, 1981	5 E-3A aircraft; associated spares and support equipment for 3 yrs; 3 yrs of contractor provided logistics, maintenance, and training support in Saudi Arabia; USAF and/or contractor provided Conus training and technical support; a facility site survey; and provision for the design, construction, and supply of required AWACS related ground based command, control, and communications (C^3) facilities and equipment, including an appropriate number of ground radars. $5,800,000,000—Air Force.
81-96B	Oct. 1, 1981	101 ship sets (202 tanks) of conformal fuel tanks (CFT's) for the Royal Saudi Air Force (RSAF) F-15 aircraft. The CFT's are streamlined fuel tanks, 2 per aircraft, which affix to the sides of the F-15 fuselage. The sale would include spare parts, support equipment, training equipment, publications, and other related support for the CFT'S. $110,000,000—Air Force.
81-96C	Oct. 1, 1981	A quantity of 1,177 AIM-9L Sidewinder air-to-air missiles with related spare parts and special test and support equipment. $122,000,000—Air Force.
81-96D	Oct. 1, 1981	8 Boeing 707 aerial refueling aircraft, including an initial purchase of 6 aircraft and an option to purchase 2 additional aircraft; 3 yrs supply of spares and support equipment; 3 yrs of contractor maintenance, training, and logistics support in Saudi Arabia, and Conus training provided by USAF and/or the contractor. $2,400,000,000—Air Force.
82-07	Nov. 30, 1981	Cooperative logistics supply support arrangement (FMSO-II) for follow-on spares and supplies to support aircraft and other systems and subsystems of U.S. origin being operated by the Saudi armed forces. $27,000,000—Air Force.
Singapore: 81-21	Feb. 18, 1981	200 AGM-65 series Maverick missiles with launcher equipment, aircraft (F-5) modifications, spare parts, support equipment, and training. $26,000,000—Air Force.
Somalia:		
81-16	Feb. 6, 1981	12 M-167 (Towed) Vulcan air defense guns with radar, appropriate communication equipment, spare parts, training and support. $12,000,000—Army.
81-17	Feb. 6, 1981	3 TPS-43 long-range air defense radar appropriate communications equipment, spare parts, training, and support. $30,000,000—Air Force.

FORMAL NOTIFICATION OF PROPOSED LETTERS OF OFFER FOR ARMS SALES PURSUANT TO SEC. 36(b) OF THE ARMS EXPORT CONTROL ACT—REAGAN ADMINISTRATION—Continued

Country: Transmittal No.	Date received	Items, cost, military department, expiration date for congressional review
Spain:		
81-14	Jan. 19, 1981	96 MIM-72F improved Chaparral air defense systems with 1,760 improved Chaparral (MIM-72F) missiles and supporting equipment. $272,000,000—Army.
81-93	Sept. 10, 1981	This sale is to provide development and procurement of shipboard antisubmarine warfare (ASW) electronic suites and the purchase of 18 SH-60B light airborne multipurpose system (LAMPS) III helicopters for the Spanish Navy carrier and 3 frigates. $510,000,000—Navy.
81-103	Sept. 29, 1981	118 MK-16 MOD 5 Ordalt torpedo improvement kits with spare parts and support equipment for MOD 5 intermediate level torpedo maintenance. $26,000,000—Navy.
Sudan: 81-110	Oct. 26, 1981	20 M-60A3 tanks with applicable support equipment, concurrent spares, special tools, test equipment, and associated services. $36,000,000—Army.
Thailand: 82-02	Nov. 10, 1981	1 C-130H-30 aircraft with 2 spare engines, initial spares, training, and support. $30,000,000—Air Force.
Tunisia:		
81-20	Feb. 10, 1981	19 155-mm M-109A2 self-propelled howitzers, applicable support equipment, and services. $15,000,000—Army.
81-64	July 8, 1981	54 M-60A3 tanks wth support equipment and services. $92,000,000—Army.
81-41	Sept. 17, 1981	4 F-5F aircraft with spares, support and training. $65,000,000—Air Force.
Turkey:		
81-27	Mar. 6, 1981	Cooperative logistics supply support for follow-on spares and supplies in support of C-130H, F-1E, F/RF-5A, F-110C/D/F, FRF-104G, T-33, T-37C, and T-38 aircraft, and other systems and subsystems of U.S. manufacture. $33,000,000—Air Force.
81-30	Apr. 9, 1981	15 F-1E aircraft with spare parts and support equipment. $78,000,000—Air Force.
81-78	July 29, 1981	Cooperative logistics supply support for follow-on spares and supplies in support of C-130H, F-1E, F/RF-5A, F-100C/D/F, RF/F-104G, T-33, T-37C, and T-38 aircraft and other systems and subsystems of U.S. manufacture. $35,000,000—Air Force.
81-80	Sept. 10, 1981	358 M-48A5 tank conversion kits. $131,000,000—Army.
81-100	Sept. 24, 1981	15 UH-1H helicopters with concurrent spare parts, ancillary equipment, and support. $32,000,000—Army.
82-01	Nov. 17, 1981	Cooperative logistics supply support (FMSO-II) for follow-on spares and supplies in support of C-130H, F-1E, F/RF-5A, F-100C/D/F, RF/F-104G, T-33, T-37C, and T-38 aircraft and other systems and subsystems of U.S. manufacture. $71,000,000—Air Force.
United Arab Emirates:		
81-84	Sept. 10, 1981	54 jeep-mounted TOW launchers, 1,085 improved TOW (HEAT) missiles, 101 practice missiles, supporting equipment, associated spares, repair parts, field engineering services and training. $28,000,000—Army.
81-85	Sept. 17, 1981	7 improved Hawk batteries, 343 missiles, ancillary equipment and training. $800,000,000—Army.
United Kingdom:		
81-69	July 8, 1981	18,000 rounds of 155-mm ammunition. $16,000,000—Army.
81-81	July 22, 1981	Cooperative logistics supply support arrangement, requisition case (FMSC-II) for follow-on spares and supplies to support aircraft and other systems and subsystems of U.S. origin. $32,000,000—Air Force.
81-83	July 22, 1981	Cooperative logistics supply support arrangement, requisition case (FMSO-II), for follow-on spares and supplies to support aircraft and other systems and subsystems of U.S. origin. $32,000,000—Air Force.
Venezuela:		
81-55	May 26, 1981	2 C-130H-30 aircraft. $40,000,000—Air Force.
82-12	Dec. 4, 1981	18 F-16A and 6 F-16B tactical fighter aircraft with related spare parts, training, technical assistance, and support items. $615,000,000—Air Force. Withdrawn: Dec. 16, 1981. Resubmitted: Jan. 13, 1982.
Yemen Arab Republic:		
81-61	July 23, 1981	22,464 rounds of 105-mm main gun ammunition and 2,221,920 rounds of 7.62-mm and .50 caliber machine gun ammunition for M-60 tanks $14,000,000—Army.
JAN. 1 to FEB. 3, 1982		
Greece: 82-22	Feb. 3, 1982	280 AIM-7M Sparrow missiles with support. $98,000,000—Navy.
Pakistan: 82-28	Jan. 26, 1982	36 M-109A2 155-mm self-propelled howitzers, spare parts, training, and technical assistance. $30,000,000—Army.
Philippines: 82-23	Jan. 29, 1982	15 UH-1H utility helicopters, 3 spare turbine engines, and quality assurance services. $36,000,000—Army.
Saudi Arabia: 82-16	Jan. 29, 1982	This case provides for the amendment of an existing foreign military sales agreement under which ship-related spares, parts, consumables, and uniform items may be requisitioned directly from U.S supply sources by the Royal Saudi Naval Forces. $56,000,000—Navy.
Thailand:		
82-24	Jan. 29, 1982	6 AN/TPQ-36 mortar locating radars with support equipment, spare parts, and support services. $23,000,000—Army.
82-25	Jan. 29, 1982	24 M-167A1 towed Vulcan air defense guns with support equipment, spare and support services. $23,000,000—Army.
Turkey: 82-27	Jan. 29, 1982	10 search and rescue and 4 electronic with configured UH-1H helicoptars with concurrent spare parts, ancillary equipment, and support. $34,000,000—Army.

Soviets: Lead Suppliers of Weapons to Third World

The Soviet Union is the leading supplier of weapons to Third World countries, and not the United States, according to a report released today by Senator Charles H. Percy (R-Ill.).

Senator Percy, Chairman of the Senate Foreign Relations Committee, released an unclassified summary of a report (attached) prepared by the Administration entitled, "Multilateral Arms Transfer Trends." The report, prepared pursuant to Section 25(e) of the Arms Export Control Act, provides data on arms transfers to the Third World for the period 1978–1980.

In releasing the summary, Senator Percy stated "This report shows that it is not the United States but the Soviet Union that is currently the leading supplier of weapons to Third World countries. In 1980 the French ranked second in weapons sales while the United States ranked third."

Senator Percy noted that 1980 was a peak year for arms sales from all sources to the Third World, with sales increasing by nearly $15 billion to a total of $44.2 billion.

Emphasizing the Soviets' leading role as a weapons supplier to the Third World, Percy also noted the following:

Soviet weapons sales in 1980 reached an estimated $14.8 billion while U.S. weapons sales were less than half that total. Soviet weapons deliveries were also twice the U.S. total in 1980.

U.S. arms sales are popularly considered to be higher than Soviet arms sales because military construction and "non-weapons" defense equipment are added to U.S. totals. A better comparison excludes these categories, but even if they are included, the Soviet Union overtook the United States in 1980.

The Soviets led the United States in the transfer of nearly all categories of weapons during the 1978 to mid-1981 period, including a lead of almost 4 to 1 in supersonic aircraft and an estimated 2:1 lead in tanks and self-propelled guns.

Percy also noted that French arms sales have doubled in value each year during the 1978–1980 period to the point where they sold a higher dollar volume of weapons to developing countries than did the United States in 1980. Both British and West German sales declined through the period.

Percy noted that he expects future statistics to show a decline in U.S. arms sales in 1981 but a significant increase in 1982 as letters of offer for AWACS to Saudi Arabia and F-16s for Pakistan are finally concluded.

Multilateral Arms Transfer Trends in the Third World

Comparison of the military assistance and security programs of one nation with those of another is fraught with problems of definition and data.

"Third World," as used here, means all nations except the members of NATO and the Warsaw Pact, European nations not members of either alliance, plus Japan, Australia and New Zealand. Other definitions exist, and can significantly affect large aggregates of the type here presented.

Programs of nations vary rather widely in the proportion of weapons and weapons-related equipment (spare parts and ammunition, for example) to non-lethal elements (military construction and defense-related services such as training) which they provide to their security partners.

Data on military assistance and security programs also vary sharply in completeness. The United States, uniquely, discloses a large amount of information on these activities. Other free societies, though they consider such information more or less privileged, do disclose sufficient information that reasonable comparisons can be made. In contrast, the military assistance activities of communist states as depicted here must be considered as very conservative. This applies not only to the estimates of the amount and type of equipment provided, but also to the aggregate dollar values assigned to them.

The numbers and types of weapons systems provided by the suppliers is a useful measure of security assistance, but does not take into consideration the varying levels of sophistication and effectiveness of the weapons themselves, the ability of the buyers to maintain and use them effectively, or the level of spare parts and training furnished by the sellers.

Although the year 1980 set record levels in the value of arms agreements made by Third World nations, preliminary data for 1981 suggest that this pace will probably not be maintained, despite the effects of inflation. Multi-billion dollar, multi-year arms agreements, of which a large number were recorded in 1980, are becoming increasingly common. Such agreements usually require considerable time for the producers to make and deliver the equipment and for the recipients to absorb it. The large order backlogs created by the high sales levels of 1980 and other recent years, however, insure that arms deliveries will continue briskly for the next several years.

MULTILATERAL ARMS TRANSFER TRENDS

[In then-year millions of U.S. dollars; U.S. data are for fiscal year; others for current year]

	1978	1979	1980	Average
Third World Arms Deliveries, 1978 to 1980:				
U.S.S.R.	6,167	9,145	7,252	7,521
Other Communist	956	960	1,142	1,019
United States weapons	4,453	3,777	3,367	3,866
United States Milcon and other	2,693	3,288	2,336	2,772
France	1,666	1,350	2,774	1,930
United Kingdom	1,022	775	791	863
Federal Republic of Germany	651	617	903	724
Italy	622	536	463	540
Other free world	1,153	1,694	1,099	1,315
Third World	19,383	22,142	21,269	20,931

Weapons deliveries to the Third World by the major arms suppliers, 1978 to mid-1981:	Tanks and SP guns	APC's and ARC's	Artillery
Ground weapons:			
U.S.S.R.	5,031	6,098	5,594
United States	2,388	5,705	2,733
West Europeans	455	2,190	934

	Major surface combatants	Minor surface combatants	Subs	Missile boats
Naval weapons:				
U.S.S.R.	25	102	6	38
United States	16	32	1	
West Europeans	33	81	7	17

	Supersonic aircraft	Subsonic aircraft	Helos	Other aircraft	SAM's
Air weapons:					
U.S.S.R.	1,605	187	706	256	5,385
United States	466	150	145	317	3,623
West Europeans	212	33	645	372	547

	1978	1979	1980	Average
Third World arms agreements, 1978 to 1980:				
U.S.S.R.	2,916	8,825	14,812	8,851
Other Communist	924	1,382	1,287	1,198
United States weapons [1]	7,263	5,621	6,642	6,509
United States Milcon	611	1,301	1,569	760
United States other	1,922	3,906	3,695	2,574
France	2,011	4,275	8,319	4,868
United Kingdom	3,412	1,257	860	1,843
Italy	1,392	339	2,849	1,527
Federal Republic of Germany	2,521	895	651	1,356
Other free world	1,281	1,958	3,549	2,263
Third World	24,233	29,847	44,232	32,771

[1] U.S. security programs differ importantly from those of other nations in that they include significant proportions of military construction, training and other defense services not directly weapons-related. The U.S. program totals, including commercial defense sales, are therefore shown on 3 separate lines. For comparison with other countries' levels of activity, only the "United States weapons" entry should be used.

Note: "Weapons" in the above table means major systems, aggregated into broad categories. Ground weapons include: heavy armor (light, medium and heavy tanks and self-propelled guns), light armor (armored personnel carriers, infantry combat and armored reconnaissance vehicles, scout cars), artillery (tube artillery, multiple rocket launchers, mortars and recoilless rifles over 100 mm). Naval weapons include major surface combatants (warships of destroyer escort and larger size, tank landing ships and larger amphibious warfare units) and minor surface combatants (patrol escorts and smaller naval vessels, including minesweepers and landing craft). Submarines and guided missile patrol boats are listed separately. Combat aircraft include bombers, fighters, attack aircraft and armed trainer/light strike planes. Other aircraft include transports, communications or utility, ASW and unarmed trainers.

The CHAIRMAN. Senator Dodd?

Senator DODD. Thank you, Mr. Chairman.

Mr. Secretary, let me go back to an earlier point. There were two comments made and they seem to entail a contradiction which perhaps you can straighten out. Senator Pressler raised the question about the test flights that the Venezuelans have made.

Mr. Secretary, your comment at the time, and I am paraphrasing your remarks, was that we do not give test flights to other nations unless we intend to sell that particular aircraft. Now, I understand that that decision may not have been to sell that particular aircraft to that particular country.

And yet, General, in your response to a similar type of question you had just the opposite response, that in allowing someone to test flight these planes we do not necessarily intend to sell.

Mr. BUCKLEY. The procedure that was in effect, going back I do not know how many years, in February a year ago permitted the Air Force as a matter of courtesy to allow officers of friendly nations to fly our aircraft. Because of the possibility that such a flight could whet appetites, in December of last year, 9 months, 10 months subsequent to this particular flight, I issued a directive that that not be done, that that courtesy be withheld unless we had already predetermined through our interagency procedures that we would be willing to make such a sale.

Senator DODD. Was this policy changed because of the Venezuela case?

Mr. BUCKLEY. No. It was changed because we felt it was consistent with a prudent approach to an overall arms transfer policy.

Senator DODD. Let me go back to a question that was raised by the chairman. In comparing the Mig-23 to the F–16, the Congressional Research Service has supplied some data, and I would like to enumerate their comparative figures, comparing the F–16 to the Mig-23 in four respective categories: air-to-air combat radius, air-to-ground radius, maneuverability, and maximum payload.

They have the following statistics, General, and I would like you to tell me whether or not these are accurate. They are comparing the Mig-23 to the F–16. Air-to-air combat radius, the Mig-23 has 78 percent of the performance capability of the F–16. In air-to-ground radius maneuverability the Mig-23 has 42 percent of the F–16's performance capability. And in maximum payload the Mig-23 has 38 percent of the F–16's performance capability.

Are those figures roughly correct?

General SECHLER. I would have to know what Mig-23 model you are looking at, which one they are comparing and in what environment they are flying it to qualify that. I would like to take those figures for the record and look at the assumptions that they made, because I am not familiar with them versus what we have in our own Air Force, because we differ in different environments, with different payloads and different scenarios.

So I cannot comment as to whether or not those are accurate at this time until I know what the assumptions are.

Senator DODD. I would like to ask you as well, when you do that, would you also provide the committee with the same comparative figures—and now we get into the problem again of the three types of FX aircraft. But I would like to get some sort of comparative data between the FX, using all three, if you will, with the Mig-23, to get some sense of comparable performance.

General SECHLER. We will do that.

[The material referred to follows:]

COMPARATIVE DATA

[SUBMITTED BY THE DEPARTMENT OF DEFENSE]

We have no way to verify the comparative data ratios specified by the Congressional Research Service (CRS) document. The CRS document data is from other than official sources and are contractor estimates. In addition, assumptions, mission profile and operating environment used in the CRS document were not identified. Mission profile and operating environment are determinant factors when comparing aircraft capabilities.

The CRS category of maneuverability is hard to define. A great number of parameters can be measured to describe and evaluate this category. Given the air defense role the Venezuelan aircraft will most likely have, the parameters of maximum mach at altitude and specific excess power at 0.9 mach and 15,000 are appropriate comparative categories. These two parameters are key factors in evaluating a fighter's ability to intercept a threat.

The Air Force has prepared a comparative data chart which compares the Mig-23 aircraft against the F-16A, F-16/79, F-5G and KFIR, using the same format as the CRS document. To determine comparative combat radius, two separate mission profiles were used. They were the air-to-air Combat Air Patrol (CAP) profile and the air-to-surface hi-lo lo-high profile. A brief description of the profiles is included as attachment 1. The ratios presented below are a percentage determined by dividing Mig 23 datum by F-16, F-16/79, F-5 or KFIR datum:

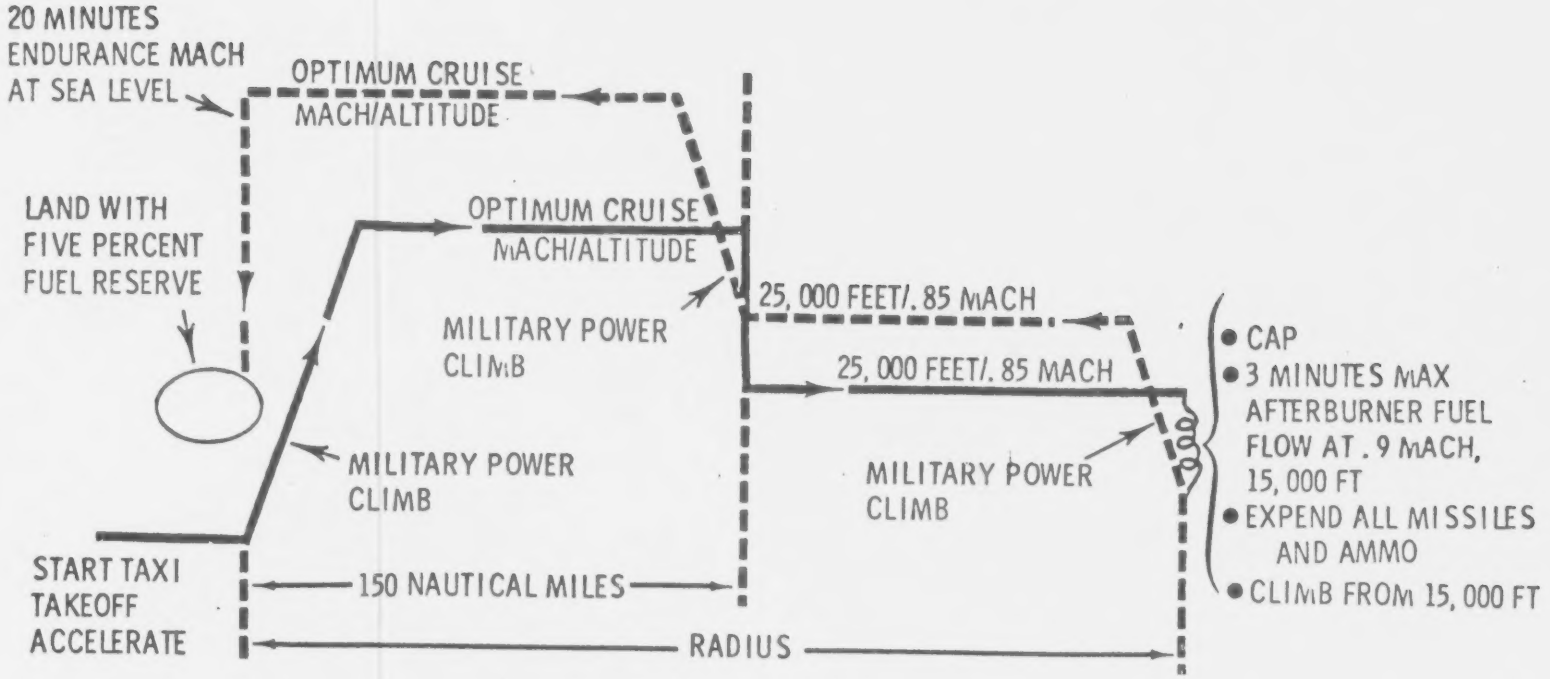
COMPARISON CHART

	CRS document data:[1] Mig-23 versus—		USAF data:[2] Mig-23 versus—		
	F-16	F-16	F-16/79	F-5	KFIR
(a) Air-to-air combat radius	[Deleted.]				
(b) Air-to-ground combat radius					
(c) Maneuverability: Excess power (Ps) Performance (Mach).					
(d) Max payload					

[1] Source of data, scenerio and assumption unknown.

[2] (a) Computed using USAF performance factors. (b) Air-to-air combat air patrol profile used for air-to-air combat radius. (c) Air-to-surface hi-lo-lo-high profile used for air-to-ground combat radius.

AIR-TO-AIR CAP PROFILE



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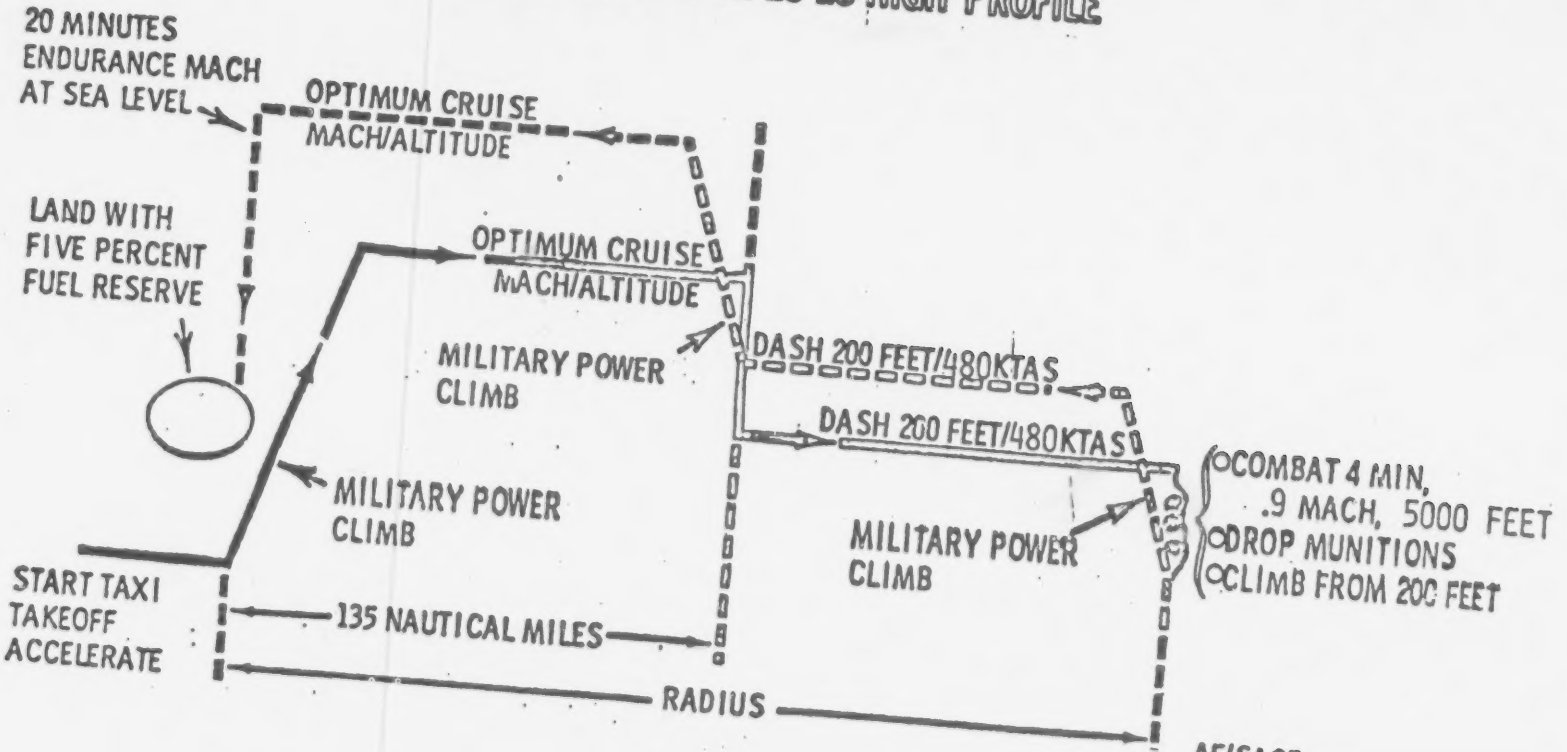
AIR-TO-SURFACE HI-LO-LO-HIGH PROFILE



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Senator DODD. Let me jump to another area. Mr. Secretary, I would guess that what we are talking about in Venezuela is the threat to the oil fields. That would be the major concern, is that not correct?

Mr. BUCKLEY. From the U.S. perspective that obviously is something that would concern us, the possibility of a cutoff of what in a crisis would be an essential source of petroleum. But our perspective and the Venezuelan perspective could be quite different matters.

They want to have a safe homeland. Oil is a very important resource of theirs. They also have other important resources, such as iron, on which their society depends.

Senator DODD. I am not trying to set you up at all. But what I am getting at is this: The radius capability of the Mig-23, whatever class we are talking about, is roughly 600 miles. Grenada is 60 miles off the coast of Venezuela, roughly 500 to 600 miles from the major oilfields in Venezuela in direct flight. Cuba, the southernmost tip, the airfields available, to Venezuela are about 610 miles.

Obviously there is a ratio between distance and maximum payload capability. I am just trying to get some sense in terms of the real threat being posed to Venezuela by the presence of the Mig-23 in Cuba. It is a stretch at best, is it not, General?

General SECHLER. But I think again we could go back to the modernization of the Venezuelan Air Force through the 1990's. The Mig-23 is flying today. Again, December 1983 would be the first delivery of the F–16's into Venezuela. The last ones would be in 1995.

Projecting through the 1990's, I think the F–16 is the appropriate airplane when you talk about what the future holds for Venezuela and in defending their own nation.

Senator DODD. We also have to consider the threats, obviously, that the requesting nation faces.

Mr. BUCKLEY. Or potentially faces.

Senator DODD. Correct. It has been made quite clear that the introduction of the Mig-23 certainly is an escalation of a threat. The question then becomes, how serious is that threat to the recipient nation.

We are talking about the capability of the Mig-23. There is some question in my mind, anyway, as to whether or not that threat is as real to Venezuela, given the likely location of those particular aircraft in Cuba or in Grenada. In Grenada you have a tougher case to make obviously, because of the 60-mile difference, unless you are talking about the oilfields. So Grenada is a speculative question at this point.

But Cuba is a real issue. So let me try again. How real is that threat of the Mig-23 to Venezuela and its interests?

General SECHLER. I think it is a real threat. I think it is a fact that there is a runway going in at Grenada. It is a fact that they have the aircraft in Cuba that could deploy, and a Mig-23 60 miles off the coastline is a threat. I think that is fundamental in itself. It has to be a threat.

Mr. BUCKLEY. I think too, Senator, one should look at the Mig-23 not in an isolated context. It is illustrative of what can happen, because it has happened. The next crates that arrive could have something of significantly greater capability.

The fact is that a country way off in another part of the world is willing and able to intrude high-quality military ordnance in our hemisphere in the Caribbean. Prudent planners must anticipate that

5 years or 10 years from now something more powerful could be around.

Senator DODD. You suggested earlier that whether or not Venezuela had gotten the F–16, it is your opinion the Soviets probably would have sent the Mig-23 anyway.

Mr. BUCKLEY. Yes.

Senator DODD. It seems to me in some of these cases that it is a chicken and egg situation, whether or not in fact you provoke an escalation and then go through the difficult task of trying to de-escalate the quality of arms in your own hemisphere. There is no Mig-23 that we yet know of in Grenada. But I would not be at all surprised, I suppose, with the sale of the F–16 to Venezuela now, that the Cubans through the Grenadans will make a good case that, well, Venezuelans have that F–16 and our interests are threatened, so we had better have that Mig-23. And then we would respond accordingly.

Where does it end?

Mr. KOCH. Senator, in trying to make these threat assessments and perceptions it is sometimes useful to turn it upside down and ask, what is the utility of the Mig-23 to Cuba and do they need it for their island defense. We do not see that they do, and so we have to go beyond that and speculate on what is the intended use of the Mig-23.

It certainly is not just to defend Cuba, because it is not necessary to defend Cuba. And so we look around and we ask why these aircraft are in Cuba, why additional aircraft have been sent to Cuba. Why do we find a runway being built in Grenada which far exceeds any capability for commercial use or necessity for commercial use? And then the question leads beyond Grenada.

Senator DODD. Mr. Chairman, I am through with my questioning. I stated at the outset that I will not oppose the sale. Let me just conclude, if I may, by suggesting that what I see here is a significant difference, I suppose, between the previous administration's approach and this administration's approach to arms sales.

Something Secretary Buckley mentioned—and I hope I quote you correctly here—is that the previous administration viewed every arms sale with suspicion. There are those, I suppose, who feel that is a bad policy.

I would rather see us place a heavier burden of proof on those who would request an escalation or a sophisticated arms sale than to work on the presumption that because of prestige issues, because they may buy them from somebody else, because they are a good ally, that those issues ought to prevail over the real questions, which are: Do they need those weapons. That ought to be the fundamental question that we ask.

Second, while certainly the case-by-case scenario is the one that you have to follow to some degree, a case-by-case consideration is not a policy. I really feel strongly that we need a policy, and there is really not a strong policy consideration in providing this test. That is what I detect.

You may find it humorous that I make that point, sir, but I do not think it is humorous at all. And I would prefer you did not smile when I raise an issue such as this.

Case-by-case is not a policy. Now, you may get away with this one but I am telling you right now you better come up with a better policy in the future if you think you are going to be able to sell sophisticated aircraft in this hemisphere. It is a serious matter, not something to be laughed at or snickered at.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Dodd.

Senator Pressler?

Senator PRESSLER. I have a final followup to my question. You said that General Blanton had no discussions with Venezuelan officials about the F–16 aircraft. It is a little hard to believe that the question of the F–16 did not come up, since the Venezuelans had just completed their fighter replacement study.

When you said that there were no discussions, does this extend to even informal talks or just the formal briefings?

General SECHLER. In my conversation with General Blanton last night, I asked him that very question. I do not know about informal, but in his meeting with the Venezuelan Air Force the discussion of the F–16 never came up. The discussion was on the Bell 212 helicopter and on the Gulfstream aircraft that was to be delivered with Presidential support.

There was no discussion at that time on the F–16 because the F–16 was an ongoing study, with a team to arrive in the United States and visit General Dynamics and Hill Air Force Base. That was the statement from General Blanton.

Senator PRESSLER. So there were no discussions about the F–16?

General SECHLER. That is correct.

Senator PRESSLER. I have a little difficulty in understanding something, Mr. Secretary. In his recent book, "The Global Politics of Arms Sales," Andrew Pierre criticizes the administration's arms transfer policy for its striking absence of specific guidelines.

Do you have published or an informal list of guidelines used by the administration in dealing with each individual arms sale?

Mr. BUCKLEY. Senator Pressler, in answering your question I want to get Mr. Koch off the hook with Senator Dodd. The reason for his smile was, in a discussion we had several days ago in preparation for this testimony Mr. Koch said, people will say that case by case does not add up to policy, thereby in effect suggesting that he anticipated Senator Dodd's question.

I believe criteria, if carefully followed, do constitute policy and do provide an informal set of guidelines by which a particular request is judged. The problem with a guideline that comes out of a mimeograph machine and so on is, there is no way to truly take into account in advance all of the variables that will be in place in a particular situation.

But we have come to various decisions, and I cannot tell you which ones they are in public, in an open hearing, that a particular weapon will not go into a particular area. That is a flat decision. But we do have a checklist and that checklist is gone through as we consider new requests or general policies that will be applied in a particular area under an existing set of facts.

This does not mean that we can rely on such a guideline a year from now if the basic premises have shifted and changed. We are

dealing with a very mobile global situation, in which the kinds of arms deliveries by the Soviet Union to its proxies that are listed and indicated in the statement the chairman has put into the record—in that environment, threat assessments and so forth are constantly shifted.

So I cannot give you a passel of documents saying "guidelines." I can tell you that there is a consistent checklist of considerations that are taken into consideration. I respectfully suggest that this is both a prudent and a responsible approach.

Senator PRESSLER. I am fascinated with a report—I do not know if you have seen it—which is referred to as the recent report 25(e) to Congress. It shows that the Soviet Union is the top seller of arms and that the French are second and that we are third. According to this, Soviet weapons sales in 1980 reached an estimated $14.8 billion, while U.S. weapons sales were less than half that total. Soviet weapons deliveries were also twice the U.S. total in 1980. And apparently the French are third.

Are those good figures or are they being changed now because of the AWACS sale and F–16 sale to Pakistan?

Mr. BUCKLEY. This table takes you to mid-1981. Regarding the periods in question, there is a slight variation between those periods depending on the table.

Incidentally, we are doing our best to rush to completion, updated figures that will take us through 1981. Obviously, this does not reflect the AWACS transactions.

Senator PRESSLER. I was just saying to our chairman that I was talking about his press release of this morning, in which he released the news that we are third in arms sales, behind the Soviets and the French now.

Does this give the amount the French are selling?

Mr. BUCKLEY. These are estimates of dollar figures. These are delivery figures.

Senator PRESSLER. Do you expect this will change in 1982, when the Saudi AWACS sale and Pakistan F–16 sale are completed?

Mr. BUCKLEY. In fiscal 1982, when you talk about the completed agreements, you will see a sharp increase on the part of the United States. But how it will compare with that of the Soviets I do not know. We will have to get that estimate from our intelligence people.

But if you take the average, it is not going to be any different from the last couple of years of the Carter administration, roughly speaking. Our arms sales agreements in fiscal 1981 were about $8.5 billion compared to about $15 billion the prior year. Next year it will be about $23 or $25 billion, because the AWACS package in effect is added to what normally would have been a 1982 transaction.

But if you take 1981 and 1982 together, we will still be averaging about $18 billion. In other words, the vaunted Reagan administration's "open up your pockets, sell anyone anything" arms policy has not materially changed the volume or dollar amounts over the last Carter years.

Senator PRESSLER. This is to Third World countries. This does not count what the Soviet Union is selling to its satellites?

Mr. BUCKLEY. No, nor ours to NATO. But the debate is in the realm of the Third World. That is where people express concerns over an escalation of the quality of arms.

Senator PRESSLER. This is a fascinating press release, Mr. Chairman. I commend you on it. I had not realized that——

Mr. BUCKLEY. Senator Pressler, this is an area that has been of tremendous concern to me since I have taken on my present responsibilities.

You may recall about a month or two ago Time magazine had a cover story, "America, Leading Arms Merchant to the World." But when you start analyzing those figures, there is just no substance to them. Unfortunately, military sales as they are published in the United States include hospitals, docks, Air Force academies—in Saudi Arabia, even the building of mosques.

But what people worry about is what is shot at them or might be shot at them. That is why we felt it terribly important in terms of putting the American role into proper perspective to call out and separate the weapons sales from the other things that are broadly described as military.

Senator PRESSLER. But I understand there might be a fallacy in these figures, in that this is weapons sales only. It excludes military construction and defense services, whatever those are. Like the building of an airbase might not be included.

Mr. BUCKLEY. But if you are looking at that which causes instability, it tends to be how many tanks do you have, how many SAM missiles, how many aircraft, and not what is the length of your runway.

Senator PRESSLER. And I suppose also the AWAC'S sale is something like $5 billion and our total sales here are $6.6 billion. So we may well leap up there.

Mr. BUCKLEY. We will be leaping up in 1982. But if you average 1981 with 1982, we will still be at sort of a plateau.

Senator PRESSLER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Pressler.

I have a few more questions. With respect to Guatemala, there have been recent press reports that Guatemala is using U.S. civilian helicopters with mounted machineguns for military purposes. Do you happen to know if this is correct?

If so, what is U.S. policy on military use of U.S. civilian equipment?

Mr. BUCKLEY. The stories are essentially correct, Mr. Chairman. A civilian helicopter is a civilian helicopter and is not purchased through the State Department-Defense apparatus. It is under license at the Department of Commerce. As I understand it, these are helicopters that are also very broadly available in the secondhand market, and of course comparable aircraft are available from other sources.

So it has been converted. The frame has been converted to military uses. But this does not get covered by our procedures.

The CHAIRMAN. Going back to the F–16 sale, there are unresolved border disputes between Venezuela and its neighbors, Colombia and Guyana. What protests have been registered by these two Governments, if any?

Mr. BUCKLEY. I know that they have expressed concerns, as Senator Dodd has reported.

Have we received any official demarches? This is a new word that I learned since joining the State Department. [Pause.]

Mr. BUCKLEY. Colombia apparently has presented a diplomatic note. But as I pointed out to Senator Dodd, the history of Venezuela

with respect to border disputes has been one in which they do not resort to arms. And the acquisition of F–16's does not obscure the fact that today Venezuela does enjoy a significant air advantage over its two neighbors.

The CHAIRMAN. I have here a letter that came to me from former Minister of Foreign Affairs of Colombia Carrizosa. He is not in the government now as I understand it, but is a former Foreign Minister. He enclosed a substantial number of articles, one of which he wrote himself, an article entitled "Una Venezuela Imperial." He explains his own reason for opposition to the sale.

He said:

I consider that in Colombia there will be a deep and strong resentment toward the U.S. for introducing the arms race in this part of Latin America.

He was formerly in a responsible position of the government.

I ask unanimous consent to incorporate the full text of his letter.

[The letter referred to follows:]

AVENIDA 25–C No. 4–20,
Bogotá, Colombia, December 29, 1981.

Senator CHARLES PERCY,
Chairman, Foreign Relations Committee, U.S. Senate, Washington, D.C.

MR. CHAIRMAN: Please find herewith several newspaper clippings from the Colombian press, which will give you a clear view of the serious consequences that may have the deal between the U.S. Government and Venezuela for the purchase of 24 F–16 planes by this country. In fact, the relations between Colombia and Venezuela, as you can appreciate by those informations, are frequently disturbed by frontier incidents and by the lack of progress in the negotiations for the delimitation of our respective continental shelf.

Indeed the arms race between Latin American countries has been unusual, specially between Colombia and Venezuela. The U.S. grant of the F–16 planes will undermine the social and economic conditions of the two countries. And we will need to invest our limited financial resources in war weapons.

In the article which I enclose, and which is entitled "Una Venezuela Imperial", I explain the exact reasons for our opposition, and I consider that in Colombia there will be a deep and strong resentment towards the U.S. for introducing the arms race in this part of Latin America.

Very sincerely yours,

ALFREDO VAZQUEZ CARRIZOSA,
Former Minister of Foreign Affairs of Colombia.

The CHAIRMAN. I have one last question. Having just returned from a visit to the Middle East, a substantial number of questions arose in Arab countries which seem to indicate that the United States did not care about the Iran-Iraq war and that we are doing nothing at all to try to resolve it. Certainly I tried to correct that impression on the trip, and in visiting a number of countries, including Syria, and in discussions with President Assad and Foreign Minister Khaddam I discussed that.

And I discussed it in Kuwait where outside in the gulf were 64 ships waiting to be unloaded in Kuwait, to be trucked all the way up to Iraq. Kuwait had just given another $2 billion interest-free loan to Iraq to support them. The cost of that war so far is $16.5 billion, money that could have been spent for other non-oil-producing Arab countries, if you wanted to limit it to Arab countries. Certainly Jordan, Egypt, Sudan, and many other countries are in serious need of financial and economic assistance.

What is the U.S. policy, for instance, toward sending U.S. arms to the Iran-Iraq war?

Mr. BUCKLEY. It is totally against our policy. I know that concerns have been expressed over the possibility that arms that have been provided by the United States to Middle Eastern countries might find their way to Iraq or Iran. This of course is contrary to the contracts that are entered into by our purchasers.

We have not found any violations, although we have investigated some reports and found them to be without substance. But this is something that we will continue to monitor.

Of course, our position is one of neutrality in that conflict. By the same token, I know that we hope that intermediaries can bring it to some kind of resolution.

The CHAIRMAN. I certainly hope so, too.

With respect to U.S. arms, Jordan has called for volunteers which they will be sending over there. Can Jordan's troops use U.S. equipment in support of Iraq in accordance with our agreements with Jordan?

Mr. BUCKLEY. No.

The CHAIRMAN. It cannot?

Mr. BUCKLEY. Our weapons transfers are clearly subject to the condition that those weapons be used for defensive purposes only.

The CHAIRMAN. Has Israel, as is widely discussed in the Arab world, sent U.S.-origin arms supplies to Iran? If so, is this in contravention of our agreements with Israel?

Mr. BUCKLEY. If those rumors were well founded, that would be in violation. But we have specifically investigated those and it is my understanding that, yes, Israel has transferred some weapons, but that they are of Israeli manufacture.

The CHAIRMAN. I would like categorically to be able to deny that on the record, because the question was raised with me so many times in Arab countries. Would you see that inquiry in every agency of Government is made on that particular point and then, under whatever classification you would feel desirable, hopefully in a public record, provide an answer to me on that issue?

Mr. BUCKLEY. We will do so.

The CHAIRMAN. We will keep the record open for that purpose.

[The information referred to follows:]

UNDER SECRETARY OF STATE
FOR SECURITY ASSISTANCE, SCIENCE AND TECHNOLOGY,
Washington, March 11, 1982.

HON. CHARLES PERCY,
Chairman, Senate Foreign Relations Committee,
U.S. Senate.

DEAR MR. CHAIRMAN: In testimony before your committee February 5, you asked me about allegations that Israel has transferred to Iran U.S.-controlled defense articles in violation of our 1952 Mutual Defense Assistance Agreement.

The Administration has examined these allegations and has discussed them with Israel.

With respect to the allegation, widely reported in the media, of an Israeli sale late last year of tires for F-4 Phantom aircraft, we would note that aircraft tires are available commercially. Commercial exports of such tires are authorized by a Commerce Department general destination license pursuant to the Export Administration Act. Transfers of tires procured on this basis do not require USG approval.

We have also seen widely publicized allegations in the media that the Israelis have transferred the Scorpion tank, M-60 tanks, and 106 mm recoilless rifles. The Scorpion tank is of British manufacture and would not fall under U.S. controls. We

have found no credible evidence to support allegations that either M–60 tanks or 106 mm recoilless rifles or spare parts for this equipment has been transferred. We continue to welcome any evidence concerning this or other allegations, but clearly cannot make judgments on the basis of press reports alone.

Your question raises the broader policy issue of Israeli willingness to support U.S. policy vis-a-vis Iran. During the hostage crisis, the United States urged all nations to refrain from trading with Iran. Israel gave us assurances it would respect this request, and we have every reason to believe Israel promptly made every effort to implement this policy in good faith.

You can be sure we will continue to monitor this situation.

Sincerely,

JAMES L. BUCKLEY.

The CHAIRMAN. I have no further questions. I want to thank you all very much for your appearance.

I have no indication whatsoever that the sale is not, by inaction of the Senate or any Member of it to date, not therefore being approved, without any resolution of disapproval being entered in.

[Additional questions and answers follow:]

STATE DEPARTMENT'S RESPONSES TO ADDITIONAL QUESTIONS SUBMITTED FOR THE RECORD

Question 1. What is your view of the FX policy which was implemented under the Carter administration? Do you not consider that the United States should have available for export a fighter aircraft that is "defensive" in nature and which does not have all the capability of our first line fighters? If you support this intermediate export fighter concept—when do you plan on approving its sale, and to what countries?

Answer. The Reagan administration has actively promoted the concept of intermediate range export aircraft which would be available to countries that may not need the capabilities of advanced fighters. At several points the Reagan administration's conventional arms transfer policy addresses the concept of lower cost alternatives to advanced weapons of all types, not just aircraft. Among the factors considered in arms transfer decisions are (quoting from the policy):

"—the degree to which the transfer responds appropriately to the military threats confronting the recipient;"

"—whether the proposed equipment transfer can be absorbed by the recipient without overburdening its military support system or financial resources;"

". . . Careful consideration will be given to lower-cost alternatives including adaptations of military equipment for sale abroad, recognizing that first-line systems may not suit the needs of many countries."

The Department has approved the marketing of the FX aircraft in some 40 countries. To date we have not received a firm purchase request, but we are prepared to act quickly and sympathetically when we do.

Question 2. What, in operational terms, is the air threat to Venezuela? Who would attack, with what aircraft, in what numbers, for what purpose?

Answer. From our perspective, the principal air threat to Venezuela at this time would appear to come from Cuban forces. Cuba has recently acquired a second squadron of Mig-23's which, if operating from a forward base, would put much of the Caribbean within their range. However, this assessment speaks only of the present. Venezuela is seeking to modernize its air force to meet its legitimate long term defense needs and the threats it could face in the future. It should be recalled that the delivery of the 24 F–16's will not be completed for over 4 years.

Question 3. Assistant Secretary Tom Enders told the House Committee in October that Venezuela needed the F–16 to enhance protection of Caribbean sea lanes through which some of the oil imports flow. What conceivable naval threat exists that would not be responded to by this country?

Answer. In time of conflict, there would be an obvious threat to strategic sea lanes of communication from Cuban and Soviet-bloc naval and air forces and the United States would respond to such threats. Indeed, the Soviets now regularly deploy air and naval assets to the Caribbean. Venezuela, as a sovereign, independent state, has its own responsibility to protect its vital strategic interests with its own defense capabilities.

Question 4. What evidence is there that the principal Cuban threat to Latin America is a conventional air attack? Is not the principal threat to our friends subversion and revolutionary warfare? How does the delivery of 24 F–16's help defend against that?

Answer. It is true that subversion and revolutionary warfare are important policy instruments of Cuba and its allies and pose serious threats, as is evident in Central America today. However, one cannot ignore the significant arms build-up of conventional armed forces in Cuba and Nicaragua and the construction of potentially hostile forward air bases. The build up of forces, far in excess of these countries' legitimate self-defense needs, could in time of conflict play an important conventional warfare role in the region as well. The delivery of the F–16's to Venezuela, responding to that country's announced goal of modernizing its forces, also provides, in our judgment, an element of balance which could deter potential aggression, regardless of source.

Question 5. Even if one grants the assumption that the Mig-23's in Cuba are a regional threat, isn't the F–5E or G a more comparable aircraft? Doesn't the USAF aggressor squadron use F–5's to simulate Mig-23 aircraft? Why must F–16A aircraft be sold?

Answer. The USAF uses F–5's to simulate a number of Soviet fighter aircraft, particularly the Mig-21. However, a comparison of combat capabilities between the F–5E or G and the F–16 A/B on one hand and the Mig-23 on the other depends on a number of technical considerations including mission, weapons configuration, fuel load, etc. The Venezuelans are fully aware of the capabilities of the F–5E and G as well as the F–16, having carefully studied all of the aircraft as part of their deliberations. However, we should not assume that Venezuela was specifically attempting to react to present Cuban capabilities but that it selected the F–16 as the aircraft best suited to its legitimate defense and air force modernization needs for the decades ahead.

Question 6. Will this sale encourage or justify Cuban upgrading from the Mig-23 to the Mig-27 or 25 aircraft?

Answer. The Soviet expansion and upgrading of Cuban armed forces began in 1975. Cuba was receiving Mig-23's, OSA class patrol boats, submarines, hydrofoils and transport planes years before there were any discussions with Venezuela about F–16's. In 1981 Cuba received approximately 63,000 tons of Soviet arms and took delivery of a KONI class frigate from the U.S.S.R. This is the largest amount received in any one year except 1962. The Cuban arms buildup began and continued at a time when Cuba was trying to establish diplomatic relations with as many Latin American nations as possible, including Venezuela. In other words, there is no reason to believe that the possible acquisition of F–16's by Venezuela had or has any effect on Cuba's arms buildup. Cuba already has a bulging arsenal far in excess of its legitimate defense needs. The weapons now in Cuba's inventory allow Castro to project power far beyond Cuba's shores and cover much of the Caribbean. Operating out of Nicaraguan and Grenadan bases (airport on Grenada not yet ready) Cuba could reach all of the Caribbean, Central America and the north coast of South America. One further point, even though Cuba's arms buildup was going on when this country was moving toward a normalization of relations with Cuba, Cuba today tries to justify that buildup in terms of the threat from the United States. Cuba has never been concerned by the military threat from any Latin American country. Cuba's Armed Forces are the largest in Latin America except for Brazil and they are certainly the best equipped military establishment in Latin America.

Question 7. In the light of recent experience, what is likely to be the ability of Venezuela to support and operate their F–16's? Can you provide us with any details on what is the operating condition of their present fighters?

Answer. The USAF site survey team which visited Venezuela last September found that the Venezuelan Air Force would be fully capable of supporting and operating the F–16 with the training and initial ground support provided by contractors under the terms of the sale.

Question 8. Venezuelan President Luis Herrera Campins is quoted by the Wall Street Journal (November 20, 1981) as saying that "we are tired of having sold to us war surplus, almost obsolete equipment." Since, according to my information, the F–5G is not obsolete, please detail for us the efforts to fully inform the Venezuelans of F–5G capability.

Answer. Officers of the Venezuela Air Force were aware of the capabilities of the FX including the F–5G and the F–16/79 and flew the latter. The F–5G's limited range and the fact it did not exist in prototype and therefore was not avail-

able for test or for acquisition within the timeframe required by the Venezuelan Air Force weighed against it. In comparing the F–16/79 to the F–16A, the Venezuelans took into consideration the following:

The 16/79 is identical with the 16A except that it has a less powerful engine; the 16/79 costs almost as much as the 16A; the 16A is more fuel-efficient than the 16/79 and therefore may be less expensive to buy and operate over the life of the aircraft.

Question 9. Venezuela has ambitious internal development plans, heavy social welfare obligations, large investment requirements, stagnant revenues from oil, and a poor international borrowing position given its debt-service ratio. Won't paying for an expensive F–16 squadron further deteriorate Venezuela's political economy and sharpen internal discord?

Answer. Despite the economic factors mentioned above, we believe Venezuela's large petroleum revenues enable it to afford an F–16 squadron. It should be recalled that the equipment is to be delivered over a number of years and the payment schedule will be stretched out accordingly.

In the wake of the hearing before the Senate Foreign Relations Committee on February 5, there was opposition party criticism of the purchase. Foreign Minister Zambrano subsequently released a statement on Venezuela's reason for acquisition of the aircraft: ". . . the modernization and upgrading of the Venezuelan Air Force's equipment and to better serve the nation's security and defense interests." He pledged that the F–16 purchase would be carried out within "two objective parameters: that of the country's available financial resources and that of the human resources available through the Venezuelan Air Force to operate them." Zambrano also reiterated the GOV's assurance that "in the hands of Venezeula, the F–16's will not become offensive or provoking instruments, but will provide the Venezuelan Air Force a power comparable and compatible with its economic wealth, and will undoubtedly become a factor to preserve the peace." Foreign Minister Zambrano also regretted that "some important sectors in Venezuelan society, with whom we seek and wish to have agreement in the area of foreign policy and in the area of advancing liberty and democracy, have made hurried statements that lack basis and that harm the military institution and the security and defense policies of the nation." Foreign Minister Zambrano closed by saying that "the statement is not intended to fuel the debate, but only to analyze objectively and with a high sense of patriotism the motivations of the government that led it to decide to acquire the F–16 aircraft, in the full exercise of its sovereign rights." We do not expect the purchase of the aircraft to become a major political issue.

Question 10. In the aftermath of the U.S. decision to sell F–16's to Venezuela, Peru, and Colombia have requested data on F–16's. What would be the political implications of denying or granting them to these countries after we have approved this sale to Venezuela? What are the financial implications as regards Peru's and Colombia's inability to pay for them? Do you expect the U.S. taxpayer to pick up this bill?

Answer. Neither Peru nor Colombia has officially requested data on the F–16A/B. In the absence of such a request we would prefer not to speculate on the political or financial implications of granting or denying it. We would examine any requests on a case-by-case basis in accordance with the law and the administration's conventional arms transfer policy. Within the latter context, we would consider whether a proposed sale would improve our security relationships and whether a denial would lead to relationships inimical to U.S. interests.

Question 11. Has Guyana protested to the State Department over this sale?

Answer. While Guyanan officials have publicly voiced their concern over the sale, no formal note of protest has been presented to the U.S. Government.

Question 12. Is there any real prospect that once sold to Venezuela, F–16's could be limited to that country in Latin America?

Answer. We have received no requests to purchase the F–16 from other governments in Latin America. Any such request would of course be carefully reviewed on a case by case basis taking into account our arms transfer criteria. However, the cost of the F–16 is such that it may discourage most countries in the region from seriously considering the purchase of this aircraft.

Question 13. Won't this sale create a situation which will result in a top of the line, fighter aircraft arms race in Latin and South America?

Answer. We do not favor any form of arms race in Latin America and have carefully considered whether the sale of F–16's to Venezuela would stimulate purchases by others. Again, we believe the cost of the aircraft would discourage most other countries which might consider the F–16.

Question 14. In short, is not the sale of offensive F–16A's terribly destabilizing to the whole area?

Answer. We do not believe the sale of the F–16's to Venezuela to meet its legitimate defense needs is destabilizing to the region. On the contrary, we believe it will strengthen the security of the region in which Venezuela, the United States and other friendly countries of the area have vital interests.

Question 15. Mr. Buckley, you told the House Committee on September 16, 1981, that the 40 F–16's going to Pakistan on an accelerated basis "are not expected to result in a significantly adverse impact on U.S. capabilities." But if successive states continue to request F–16's, don't we either adversely impact U.S. deployment or force requesting nations to wait about 4 years. And if they can wait 4 years, what is the threat that requires these F–16 aircraft?

Answer. I did state then that the F–16 sale to Pakistan was not expected to result in a significantly adverse impact on U.S. capabilities. This was the official finding of the DOD. That continues to be the DOD's assessment with respect to the planned sale of F–16's to Venezuela. Our arms transfer policy acknowledges the primacy of our own requirements. When faced with an urgent foreign need for any scarce item, we will have to weigh the importance of a scarce defense article to a foreign country as opposed to the needs of our own services. I can assure you that we do not intend to degrade our armed forces' inventories and defense capabilities.

The initial F–16 aircraftsold to Pakistan will be delivered without full logistical support to avoid significant adverse impact on U.S. capabilities. While we discourage accelerated programs, we can manage one or two early delivery programs at a time with our current resources situation. It should be noted that the Pakistan F–16 program is accelerated for some aircraft and other items early in the program, but normalized toward the end of the program. Early program short-falls of logistic items early in the program are to be made up of engineering services contracts with the manufacturer.

As to the perception of the threat requiring F–16 aircraft, each potential buyer is the ultimate judge of what constitutes a threat to its security and what it needs to counter the threat. In making our decisions on transfers, we of course will want to be sensitive to these views, although not necessarily accepting them at face value.

Question 16. Ideally arms transfer policies are a component of grand strategy. Please explain how this sale furthers U.S. regional and global policy objectives? What is our conceptual roadmap?

Answer. The sale of F–16 aircraft to Venezuela is consistent with the administration's policies and serves our objectives, both regional and global, by:

Helping our allies and friends to defend themselves and thereby detering aggression;

Demonstrating our interest in the security of our friends;

Enhancing our ability, in concert with our friends, to project power swiftly and effectively to meet threats posed by mutual adversaries; and

Enabling us to preserve our influence and our ability to foster regional stability by meeting the legitimate defense requirements of friendly states.

With respect to a conceptual roadmap, we assume here that the interest transcends the Venezuelan case. The course that we have charted reflects heavily the administration's perception of total U.S. interests and our assessment as to how best they can be served. The policy we have laid out on arms transfers provides a flexible and substantive framework, within which we can make decisions on a case-by-case basis and thereby help to fulfill our objectives.

The CHAIRMAN. Thank you very kindly. This meeting is adjourned.

[Whereupon, at 11:55 a.m., the committee adjourned, subject to call of the Chair.]

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